Edition Ltd.
Annual Report
2018

Edition

Contents

*This annual report has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this annual report.*

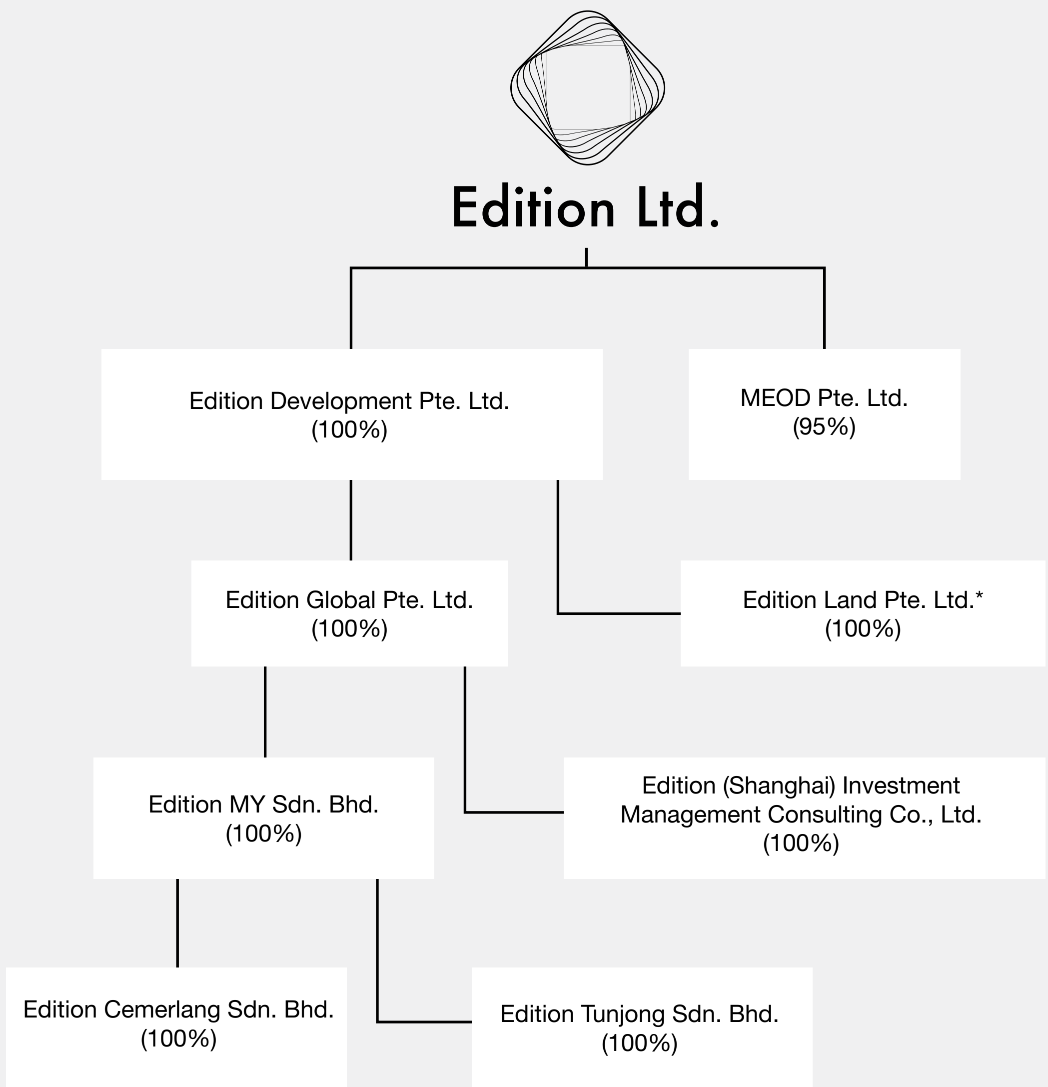
This annual report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

The contact person for the Sponsor is Ms Tay Sim Yee, at 1 Robinson Road, #21-00, AIA Tower, Singapore 048542, telephone (65) 6232 3210.

Corporate Profile

Edition Ltd. ("Edition", the "Company", or collectively with its subsidiary corporations, the "Group") is a growing agricultural company that operates a 1-hectare farm at Kranji and possesses an agricultural land parcel of 6-hectares at Neo Tiew Harvest Lane, through a 95%-owned subsidiary corporation of Edition, MEOD Pte. Ltd. ("MEOD"). Presently, the Group also possesses the land development rights for a property development project in Malaysia.

For our key agricultural business segment, we utilise hi-tech planting technologies which are modular, scalable and automated in the planting process. Our produce includes fruits and leafy vegetables, where the quality and yield of production are expected to be higher as compared to conventional farming since growing will be under a fully controlled environment. We aim to be one of the main suppliers for local farm produce, and distributors of quality and safe farm produce at the best value.



* Applied to be struck-off during the financial year ended 31 December 2018

CEO's Statement

On behalf of the Board of Directors (the "Board"), I would like to present the Annual Report for Edition Ltd. ("Edition" or the "Group") for the financial year ended 31 December 2018 ("FY2018").

Development in agricultural business

FY2018 continued to be a very challenging year for the Group in the agricultural business segment. The Group continue to operate our 1-hectare greenhouse at Kranji ("Kranji Farm") through MEOD Pte. Ltd. ("MEOD"), a 95%-owned subsidiary corporation of Edition. In 2018, the Group continued to concentrate in providing high quality, safe and hygienic, 100% pesticide free and premium products to the consumers of Singapore. Our goal is to deliver fresh, healthy and safe food to all our consumers. To achieve this objective, the Group has adopted a more stringent growing process as well as procedures for quality checks on the produce. This has resulted in the discarding of unsatisfactory crops and has hence reduced the production output for FY2018.

During the financial year, the management has placed a strong focus in process optimisation and farm management. The Group is also concentrating on our products branding and building consumer's confidence towards our certified 100% pesticide free agricultural produce. The focus on farming operations and building our own branding and consumer's confidence, will not only allow us to have a better consistency of quality products but also serves as a test-bed for the Group to build its foundation to expand the Group's knowledge and processes to benefit the Group's farming operations, thus enhancing shareholder's value.

CEO's Statement

During the financial year, the Group has submitted the development plans of the agricultural land parcel of 6-hectares at Neo Tiew Harvest Lane ("New Farm") to the Agri-Food and Veterinary Authority of Singapore ("AVA"). These plans are pending AVA approval. To enable the Group to have better flexibility and effectiveness in the management and deployment of resources and capital requirements, the Group is adopting a phased approach to develop the New Farm, subject to AVA's approval.

The Group is also exploring other agricultural business opportunities that may enhance shareholders' value. As announced on 24 January 2019, MEOD has been appointed as the authorised exclusive distributor for the products of Season Farm Technology Co., Ltd. ("Season Farm") in the ASEAN region. The Group envisages that the sales and distribution partnership will create opportunities to expand MEOD's agricultural footprint in the ASEAN region. Leveraging on the partnership, the Group believes that it will pave the way for further business and technology collaboration opportunities with other established agriculture companies outside of Singapore.

Future direction and appreciation

The Group will continue to focus on optimising the operations of Kranji Farm, whilst proceeding with the development of New Farm. The Group will also continue to evaluate the probable business opportunities that may enable the Group to be profitable in the coming years. In anticipation of the challenges and uncertainties ahead, the Group will continue to implement cost control measures which will help to shore up the finances of the Group and provide a firm footing for future business development plans of the Group.

Lastly, on behalf of the Board of Directors, I would like to express our appreciation to all stakeholders for the continual support and unwavering confidence in the Group.

ONG BOON CHUAN
Executive Chairman and Chief Executive Officer

Review of Results

Turnover

Revenue decreased from $0.54 million in financial year ended 31 December 2017 ("FY2017") to $0.05 million in financial year ended 31 December 2018 ("FY2018"), mainly due to lower revenue contribution from the sale of agricultural produce and agricultural products. The lower revenue compared to FY2017 was due to the Group's decision to produce high-quality, safe and hygienic, pesticide-free and premium products. To achieve this, the Group implemented a more stringent growing process and quality checks. This has resulted in the discarding and loss of unsatisfactory crops and hence reduced the Group's revenue.

In FY2018, the Group placed strong focus on optimizing farming operations and raising the quality of produce to ensure the agricultural produce is certified 100% pesticide free. The Group concentrated on building consumers' confidence rather than quick revenue generation. The Group believes that better pest prevention and management in order to deliver fresh, healthy and safe food would bring us bigger returns in the long run. The focus on farming operations not only allows the Group to have a better consistency of quality products but also serves as a test-bed for the Group to build its foundation to expand the Group's knowledge and processes to benefit the Group's farming operations, thus giving investors higher value and returns.

Other Income

Other gains were $0.30 million in FY2018, as compared to $0.26 million in FY2017, mainly due to interest income received from loans to a non-related company during the financial year.

Operating Expenses

Total expenses increased by 18% from $3.03 million in FY2017 to $3.56 million in FY2018, mainly due to additional overheads incurred for operation in the agricultural segment. The increase in employees compensation from $1.78 million in FY2017 to $2.14 million in FY2018 was largely due to recognition of share-based payment expenses during the financial year. Purchases of inventories decreased from $0.31 million in FY2017 to $0.22 million in FY2018, which was mainly due to decrease in the consumables used in the agricultural segment. Amortisation and depreciation increased from $0.24 million in FY2017 to $0.39 million in FY2018, which was mainly due to depreciation for the greenhouse facility in agricultural segment. The Group also registered an increase of 48%, from $0.27 million in FY2017 to $0.39 million in other expenses, mainly due to increase in agricultural business activities in FY2018 as the Group continued to place its focus on the development of the agricultural business.

Net Loss and Taxation

As a result of the above, the Group registered a net loss before tax of $3.22 million in FY2018, as compared with a net loss of $2.23 million in FY2017. The loss attributable to shareholders increased substantially by 67% to $2.77 million in FY2018, as compared to a loss of $1.66 million in FY2017, which was as a result of losses from the agricultural segment. Non-controlling interests registered a loss of $0.46 million in FY2018, as compared to a loss of $0.57 million in FY2017. The decrease in net loss attributable to non-controlling interest was mainly due to the non-controlling interest shareholding percentage being reduced from 49% to 5% during the financial year.

Balance Sheet and Statement of Cash Flow

As at 31 December 2018, the Group's cash and cash equivalent balances have decreased by $5.45 million, from $21.40 million to $15.95 million, mainly due to overheads incurred in the agricultural segment and loans extended to a non-related company. Trade and other receivables comprise primarily of deposits placed with

Review of Results

a non-related company for a right to acquire a non-controlling investment interest in FY2017 and loans extended to a non-related company. The trade and other receivables increased by $1.71 million as at 31 December 2018 to $3.59 million, from $1.88 million as at 31 December 2017 which was mainly due to the loans extended to a non-related company.

Property, plant and equipment increased from $2.99 million as at 31 December 2017 to $3.79 million as at 31 December 2018. The increase was mainly due to the consideration paid for the land parcel at Neo Tiew Harvest Lane.

There were no substantial changes in the Group's liabilities between FY2017 and FY2018.

As a result of the above, net assets of the Group stood at $23.83 million as at 31 December 2018, a reduction of $2.85 million as compared to the previous comparative period.

The inflows and outflows of cash are detailed in the Consolidated Statement of Cash Flows. The net cash outflows from operating activities was mainly due to operating expenses which was largely attributable to business development expenses incurred by the agricultural segment in FY2018. Changes in working capital was mainly due to loans being extended to a non-related company during the financial year. Net cash outflows from investing activities was mainly due to additional capital expenditure to acquire the land parcel at Neo Tiew Harvest Lane. As a result of the above, the Group's cash and cash equivalents as at the end of FY2018 was $15.95 million.

Board of Directors

Ong Boon Chuan
Executive Chairman and Chief Executive Officer ("CEO")

Mr Ong was appointed to our Board on 21 July 2014, he currently serves as the Executive Chairman and CEO of the Company. Mr Ong is responsible for the overall strategic management and business development of the Group. Mr Ong is also the Executive Chairman and CEO of TG Corporation Holdings Pte. Ltd. ("TG Group"). He has over 30 years of experience in the real estate development and construction business. In 1987, he established the first of TG Group's subsidiary corporations, TG Development Pte. Ltd. and as its Director, he played an active role in TG Group's maiden foray into the real estate development industry in Singapore. In 1992, he expanded the TG Group with the incorporation of Thye Chuan Engineering Construction Co. Pte Ltd, the construction wing of the TG Group. Under the management and leadership of Mr Ong, the TG Group has grown substantially over the years and has become an active player within the real estate development industry in Singapore. Mr Ong graduated from Singapore Polytechnic with a Technical Diploma in Building in 1978.

Lui Seng Fatt
Lead Independent Director

Mr Lui was appointed to our Board as an Independent Director on 21 July 2014 and also serves as the Chairman of the Nominating Committee and member of the Audit Committee and Remuneration Committee. He has over 30 years of experience in real estate and related businesses. Mr Lui last held the appointment of Regional Director and Head of Investments at Jones Lang LaSalle. He was the President of the GEREG Group of companies with major strategic businesses in Infrastructure, Real Estate and Financial Services in the Asia Pacific region and America. Mr Lui was also a Senior General Manager of Keppel Land International Limited, and was one of the key founding executives of Pidemco Land Limited, now known as CapitaLand Limited. Mr Lui was appointed the Honorary Advisor to the Real Estate Developers' Association of Singapore, on Real Estate Consultancy and Valuation. He graduated from the University of Singapore with a Bachelor degree in Architecture in 1979 under a Singapore Government Merit Scholarship, and holds a Master in Business Administration with a major in Finance from the National University of Singapore.

Board of Directors

Dr Toh See Kiat
Independent Director

Dr Toh was appointed to our Board as an Independent Director on 19 August 2014 and also serves as the Chairman of the Remuneration Committee and member of the Audit Committee and Nominating Committee. Dr Toh is a lawyer and his practice is in the areas of Banking, Corporate, Commercial Law, Intellectual Property Rights, Data Protection, Information Technology and E-Commerce Law. He has been engaged by a wide range of corporate and commercial clients, industry bodies, and government agencies, including the Dubai Internet City, the Dubai Port Authority, the Abu Dhabi Department of Economic Planning and the Abu Dhabi Information and Systems Centre. Dr Toh was a Member of Parliament and also served as Chairman of Aljunied Town Council. He was also President of the Consumers Association of Singapore and was a member of national bodies such as the National Trust Council. Dr Toh graduated with an LLB (Hons) Degree from the National University of Singapore in 1982 and was admitted as an Advocate and Solicitor in Singapore in 1983. He obtained his Master's Degree in Law from Harvard University in 1986 and in 1991, he was awarded a PhD in Law by the University of London where he did his doctoral thesis in electronic commerce. He has also been admitted as a Solicitor in England and Wales.

Hor Siew Fu
Independent Director

Mr Hor was appointed to our Board as an Independent Director on 30 June 2016. He also serves as the Chairman of the Audit Committee and member of Remuneration Committee and Nominating Committee. He is an Independent Director of CosmoSteel Holdings Limited, which is listed on the SGX-ST. He has more than 40 years of experience in the fields of finance, administration and general management in public-listed companies, multi-national corporations, government-linked companies, small and medium- sized enterprises as well as in the public sector. He last held the appointment of Chief Financial Officer ("CFO") for Albedo Limited. He has served as a volunteer in various capacities with government agencies as well as professional and non-profit organisations. Mr Hor graduated from the then University of Singapore with a Bachelor of Accountancy degree and MacQuarie University, Sydney, Australia, with a Master of Business Administration degree. He is a Fellow member of the Association of Chartered Certified Accountants (United Kingdom) and Institute of Singapore Chartered Accountants. He is also a professional (life) member of the Singapore Human Resources Institute.

Key Executives

Ong Kai Hian
Executive Director, Edition Development Pte. Ltd.

Mr Ong Kai Hian was appointed as Executive Director of Edition Development Pte. Ltd., one of the principal subsidiary corporations of the Group, on 7 August 2014. He is responsible for overseeing the operations and business development of the Group. Mr Ong is an architect by training and was previously appointed as architectural designer in an award-winning architectural firm in London. In Singapore, he last held the position of project architect with a local property developer. Mr Ong holds a Royal Institute of British Architects (Part II) from the Architecture Association in London. Presently, Mr Ong's principal commitment is the operations and business development of MEOD, following cessation of the property development business.

Lang Chen Fei
Financial Controller

Mr Lang Chen Fei was appointed as Financial Controller of the Group on 18 May 2018. He is responsible for the overall financial planning and financial management of the Group. Prior to joining the Group, he has several years of experience in a professional accounting firm and a public listed company. Mr Lang holds a Bachelor of Accountancy from Multimedia University, Malaysia, and is also a Chartered Accountant (Singapore) of the Institute of Singapore Chartered Accountants ("ISCA").

Corporate Information

BOARD OF DIRECTORS:
Ong Boon Chuan
(Executive Chairman and Chief Executive Officer)

Lui Seng Fatt
(Lead Independent Director)

Dr Toh See Kiat
(Independent Director)

Hor Siew Fu
(Independent Director)

AUDIT COMMITTEE:
Hor Siew Fu (Chairman)
Lui Seng Fatt
Dr Toh See Kiat

REMUNERATION COMMITTEE:
Dr Toh See Kiat (Chairman)
Hor Siew Fu
Lui Seng Fatt

NOMINATING COMMITTEE:
Lui Seng Fatt (Chairman)
Hor Siew Fu
Dr Toh See Kiat

COMPANY SECRETARIES:
Lin Moi Heyang
Low Mei Wan

REGISTERED OFFICE:
80 Robinson Road, #02-00
Singapore 068898
Telephone: (65) 6236 3333
Facsimile: (65) 6236 4399

PRINCIPAL PLACE OF BUSINESS:
78 Gilstead Road
Singapore 309116

REGISTRATION NUMBER:
200411873E

SHARE REGISTRAR AND SHARE TRANSFER OFFICE:
Tricor Barbinder Share Registration Services
(A division of Tricor Singapore Pte. Ltd.)
80 Robinson Road, #02-00
Singapore 068898

INDEPENDENT AUDITOR:
Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants
100 Beach Road
#30-00 Shaw Tower
Singapore 189702
Director in charge: Mr Ross Yu Limjoco
Year of appointment: Since financial year ended 31 December 2016

SPONSOR:
SAC Capital Private Limited
1 Robinson Road
#21-00 AIA Tower
Singapore 048542

Sustainability Report

Chairman Statement

Dear Shareholders,

We are proud to present Edition Ltd.'s ("Edition" or the "Company") 2018 Sustainability Report (the "Sustainability Report").

We strive to progressively build up our sustainability practices and reporting through a variety of operations and in the many subsidiary corporations of our business. This report details the sustainability policies and practices in MEOD Pte. Ltd. ("MEOD"), a 95%-owned subsidiary corporation where sustainability has been the forefront of farming operations since its inception in 2014.

Here at MEOD, we take pride in our ability to provide high quality, safe and affordable vegetables to the people of Singapore. We avoid the use of chemical pesticides and deploy a state of the art technology to minimise water consumption and waste production. In 2018, we have adhered to our principles in ensuring our vegetables are 100% pesticide free, shunning even the use of organic-based pesticides. Although challenging, we believe these principles form the firm's foundation of our promise to sustainability. Singapore aims to raise domestic food production to as high as 30% by 2030. We intend to be a part of Singapore's step towards self-sufficiency through our expansion plan into our new 6-hectare farm space. Through the increased farm space, we hope to cement our position as an industry forerunner in Singapore with our approach to sustainability, health and safety.

In 2018, we have also taken a bigger focus on sustainability of our own business growth and expansion, for without an economically viable business plan, the business may not be sustainable. Our existing one-hectare greenhouse farm has seen increases in production and also the implementation of new technologies and systems that increase production efficiency.

By 2020, we expect to increase our production with the 6-hectare land awarded by Agri-Food & Veterinary Authority of Singapore ("AVA") at Neo Tiew Harvest Lane through the utilization of technologies and experience obtained from the operations of our current Kranji farm, while aiming to increase productivity and reducing external inputs, such as water, energy, fertilizer and labour through efficiency, recycling, and sustainable organic inputs.

We continue to strive to provide food that is safe, fresh and sustainable at affordable prices with zero pesticide usage. We also strive for a safe, conducive, yet challenging working environment for our workers, and ultimately to yield strong sustainable returns for our loyal shareholders.

ONG BOON CHUAN
Executive Chairman and Chief Executive Officer

Sustainability Report

Board Statement

Edition is delighted to present our Sustainability Report. The Group has allocated significant time and resources to the agricultural business, we will focus on the agricultural business, carried out through MEOD in the Sustainability Report. At MEOD, we are committed to cultivating high quality and nutritious produce for our consumers. We constantly explore new opportunities to enhance shareholders' value. We continue to work towards strengthening our customers and stakeholders' trust in us.

Good corporate governance is close to our hearts to ensure that the right business decisions are made, carried out and monitored properly. Singapore imports over 90% of our food and this has led to a renewed focus on local farms such as ours to increase efficiency and act as a barrier against supply chain shocks and climate change. As a company that literally works the land, we believe that our employees, the community and the environment play vital roles in the continuing existence and growth of our business.

As a responsible corporate citizen, we consider sustainability issues from the perspective of our own business growth. We will focus and develop our sustainability practices around environmental, social and governance ("ESG") factors identified and measure the sustainability and ethical impact of MEOD.

This report is developed in accordance to the SGX-ST Listing Manual Section B: Rules of Catalist Practice Note 7F: 'Sustainability Reporting Guide' on a comply or explain basis. It is based on the Global Reporting Initiatives (GRI) Standards (2016) which provides a framework for the reporting of economic, environmental and social impact. In this report, we have also described our commitments, governance, policies, performance and targets in relation to managing the sustainability risks and opportunities during the financial year ended 31 December 2018.

Report Scope

The Sustainability Report will focus on MEOD's agricultural greenhouse in Singapore. MEOD's key business activities focus on the development of hi-tech agricultural farms for the commercial growing of tropical vegetables in Singapore.

Materiality Assessment

The Sustainability Report uses a targeted approach to identify ESG factors which are of high importance to our stakeholders and essential for MEOD. Our materiality approach is closely guided by our core values of shareholders' value and long-term sustainability of the business.

MEOD makes reference to the GRI Standard's principle on materiality. The Company has adopted a three step approach to identify, prioritise and validate various ESG factors that are significant to both the business and stakeholders.

We welcome feedback from our stakeholders with regards to our sustainability efforts as this enables us to improve our policies, systems and results. Please send your comments and suggestions to info@edn.sg.

Sustainability Report

Stakeholder Engagement

Going forward we will reach out more extensively to our stakeholders to obtain feedback on sustainability.

Shareholders

Currently for Shareholders, we communicate regularly with them through Annual General Meetings which give Shareholders an opportunity to ask questions and provide feedback directly to the Chairman, Board of Directors and management.

Wholesale and Retail Clients

We interact with the clients through various forms of communication which includes telephone, electronic mail, in person and through word of mouth.

For our retail customers, we also have a website www.meod.com.sg set up to sell our produce and keep consumers informed of our farm developments.

Training and Research Partners

We interact with the partners though the telephone, electronic mail and in person.

Suppliers

MEOD deals mostly with local suppliers, who are generally well known in the market with track records or through recommendations.

MEOD's Material factors

Material Considerations
Economic performance (business growth)
Environmental: energy, effluents, wastewater, energy efficiency
Employment: human rights, training and education, health and safety, labour management relations
Governance: Compliance
Ethics and integrity
Social and local communities

Sustainability Report

Economic performance (business growth)

In 2018, MEOD has increased our market outreach through Singapore's fresh market network. MEOD produce can be found in over 50 fresh market outlets islandwide. Our retail at fresh markets also underpins our efforts in keeping in touch with our consumers on the grassroots level; making fresh, sustainable and 100% pesticide free produce available to the masses at affordable prices. By 2020, an additional 60,789 square metres of land at Neo Tiew Harvest Link, under a lease tenure of 20 years from the AVA will be developed to grow a larger variety of local vegetables. Through this scale, we expect to realise higher efficiencies through economies of scale.

At MEOD, we have started research and development ("R&D") projects on cooling measures that allow us to cool our environment for less energy and cost in both operational and capital costs as compared to through conventional mechanical or other heating, ventilation, and air conditioning ("HVAC") cooling systems. MEOD together with the Agency for Science, Technology and Research ("A*STAR") are pioneering a cooling project through the use of radiant cooling technologies which will allow a controlled environment growing agricultural produce without the need to massively cool down large amounts of air space. Climate control and cooling is an important part of our growing process as it allows us to obtain greater yield, while also growing a greater variety of crops.

There are also additional research projects undertaken with the various local Institutes of Higher Learning in Singapore amongst other collaboration initiatives with other professional experts. Our research pipeline includes:

- Automated Farm and Crop Management Systems through sensors, data collection and internet;
- Improvement of labour intensive processes through automation and farm machinery;
- Computer Vision for the detection of pest and disease outbreaks in crops, using early warning and action, in line with our zero-pesticide policy;
- Light diffusion and scattering technology which allow us to more efficiently harness sunlight to reduce or eliminate the need for supplementary lighting like LEDs; and
- Temperature/humidity, airflow, lighting monitoring and analysis.

As part of our economic development and sustainability, some of the outcomes from this research could potentially be commercialized and enable the Company to proliferate sustainable technology to external markets. Successful outcomes in the R&D space will also enable the Company to provide more fresh vegetables to the local Singapore market in the future.

For detailed financial results, please refer to the following sections in our Annual Report 2018:

- Review of Results, pages 4 to 5
- Financial Statements, pages 56 to 104

Environmental: energy, effluents, wastewater, energy efficiency

Energy and design

MEOD has increased our growing capacity by increasing the height of our growing frames and equipment to extend from 2 metres to 3 metres. Through efficient design and engineering, we are able to keep operations ergonomic while not compromising the safety of our farmers. The higher verticality of our growing frames helps in increasing productivity and providing a high-tech environment for our workers.

We recognize cooling needs as a large part of our energy consumption. In the financial year ended 31 December 2018 ("FY2018"), we have used about 300,000 kWh of electricity. This was mainly for the equipment used to facilitate the process of plant growing, including coolers. Although there is an increase in electricity use as compared to FY2017, the MEOD farm comparatively uses much less power than other greenhouse

Sustainability Report

operations or indoor LED farms. As part of our R&D efforts to reduce electrical use in our farming, we are currently piloting a cooling project with A*STAR that we hope will result in an efficient cooling technology that utilizes only 10% of energy as compared to conventional HVAC technologies.

Part of our R&D is also focused on developing new greenhouse growing structure designs that can create the ideal microclimate for our different plants while minimising or entirely eliminating the use of energy-intensive forced circulation of air.

Water
As a vegetable farm, MEOD relies very much on water for our crop cultivation. Through our customised technology and rainwater harvesting process, we were able to minimise the use of water and only consumed about 2,500 cubic metres of water in FY2018. This works out to about an average use of 6.8 cubic metres per day, serving the watering needs of over 307,200 plants (about 20 millilitres of water per plant per day) in addition to the water used for washing and sanitation purposes. For MEOD, this is a good achievement in terms of water saving and water usage.

Weather and rain patterns in Singapore and our tropical region has seen significant changes, and in 2018, we found our water usage increase from 2017 due to dry spells without rain, forcing us to use water from our municipal source. In 2019, we will make plans to adapt our rainwater collection and storage, and aim to further reduce water usage by an additional 25%.

In 2018, MEOD invested in additional technology that allows us to analyse our water quality and its constituents in detail. This allows us to specifically top up nutrients and fertilizer that is lacking in our water, reducing our overall input of other nutrients. Through our existing computer controls, we are able to calibrate how much water is delivered to each plant during different conditions of the day, further minimizing water use and wastage.

MEOD is also exploring new cutting-edge water technologies, in the field of oxygen nano-bubbles in water. Nano bubbles have been researched on and have proven to aid filtration, remove bacteria and pathogens, allowing us to reduce reliance of mechanical and external filtration devices. If successful, our water can continue to be recycled at larger volumes and longer periods, reducing the need for external filtration. Effluent water once treated can also be used for washdown and hygiene purposes, reducing our water requirements for operations even further.

Water Effluents
MEOD does not have any significant amounts of wastewater discharge due to our closed-loop irrigation system.

100% Pesticide Free
MEOD does not use chemical pesticides on our farm and we market our produce as pesticide-free. We are firm in our zero-pesticide policy and that includes pesticides that are deemed organic in nature. Organic pesticides are still harmful to humans and will also harm the environment if used in large quantities. We stay true to our vision of offering honest, safe and healthy and sustainable food to end consumers.

Recycling Waste
Certain crops that are edible but do not meet our internal standards are given to our neighbours, our farmers and to food vendors or hawkers. We are able to save costs by not incurring delivery or disposal costs.

Totally failed crops are mulched and recycled for reuse as potting material.

As mentioned, MEOD recycles all water used in production and does not have any wastewater discharge. Being pesticide-free we also do not have any poisonous chemical disposal to be concerned with.

Sustainability Report

Packaging and logistics
In 2018, we have automated our packaging operations through machinery. Our produce is now delivered to wholesalers in recyclable plastic crates boxes. MEOD is working on a just-in-time logistics model where the vegetables can be harvested, packed and immediately put on delivery trucks for onward delivery to the customers which would save costs arising from energy-intensive cold storage as well as providing the end consumer with even fresher produce.

In the new financial year, MEOD targets to establish an effective data collection methodology to ensure the packing and logistics process can be recorded in a more scientific manner. We have deployed a logistics tracking software for our drivers and are able to track their delivery routes, and in doing so, save on fuel consumption.

Employment: human rights, training and education, health and safety, labour management relations

MEOD prides ourselves in supporting government's initiatives on improving employment opportunities for elderly persons. Amongst our farming staff, approximately half are aged 50 or older. As Edition invested in MEOD in 2015, all employees have less than four years' working experience with the Group. Within the Group, 39% of the existing employees are above 50 years old. 83% of the workforce are Singaporeans and 17% of the workforce come from other Southeast Asian countries.

Age group	Edition Ltd.	Meod Pte. Ltd.	Total
< 50	5	6	11
50 to 55	–	4	4
55 to 60	–	–	–
60 to 65	2	1	3
Total	7	11	18

Human rights
We endorse the employment practices and requirements set out by Ministry of Manpower ("MOM") in relation to employee working hours and leave entitlements.

Training and education
Throughout 2018, the Group has been committed to the upgrading and training of our staff and will endeavor to do so in the following years. We will continue to engage external consultants to provide relevant trainings for our staff, such as educating them on the best methods to grow plants in tropical weather.

Health and safety
MEOD abides by the Singapore MOM rules on health and safety. In 2018, we are pleased to report we had zero health and safety related accidents.

Labour management relations
In order to encourage goal congruence, we have a weekly toolbox meeting. This serves as a platform to reinforce knowledge and understanding of workplace safety, office emergency management, workplace health and related matters. For work-life balance initiatives, the Company has regular corporate events such as family day outings, Chinese New Year gatherings, company annual dinners and sports days.

In order to ensure safety of all our staff, we have regular fire drills, of which evacuation exercises, emergency response procedures and the use of fire extinguishers, amongst other things, will be demonstrated and practised by the staff.

Sustainability Report

For staff welfare, MEOD also provides bus services twice a day for their employees from the farm to the nearest Mass Rapid Transit ("MRT") train station.

In the new financial year, MEOD targets to achieve zero reportable accidents from the farm operations.

Governance: Compliance

At MEOD, we believe that strong governance is key to a sustainable business. Throughout 2018, we continue to comply with the Code of Corporate Governance. Please refer to the Annual Report pages 17 to 42 for the details of the Company's Corporate Governance Report.

MEOD operates our farm under licence from the AVA. As part of the licensing criteria, AVA will conduct inspections on an ad-hoc basis and/or impromptu visits. In 2018, there have been no incidents of non-compliance of improper use of farm space or other conditions imposed by AVA.

Enterprise Risk Management ("ERM")

While the Board does not have a risk management committee and ERM in place now, the management team of MEOD regularly reviews its business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. Any significant matters detected are reported to the Board and the Audit Committee.

Ethics and integrity

MEOD has a strict no child labour and anti-slavery policy. MEOD does not employ any labourer under the age of 18 and prohibits the use of child or forced labour on our farm. No employee is made to work against their will or work as bonded or forced labour. No employee is subject to corporal punishment.

MEOD will always act honestly, openly, fairly and ethically in the course of its business. The Company strives to uphold all laws aimed at countering corruption and maintains a zero-tolerance policy for corruption by our stakeholders.

MEOD encourages employees to report any concerns in this respect directly to the management. In 2018, there has been zero incidents reported on child labour or corruption.

Social and local communities

MEOD has in place programmes and initiatives that allow us to contribute back to the society and local communities that we work with. As a farm, MEOD is often left with vegetables that are perfectly edible but not up to the standards aesthetically, as requested by our wholesalers. In a bad harvest, this can contribute up to 30% of our crops. MEOD has begun a programme to reach out to charitable organizations to donate such produce. In 2018, we have donated over 300kg of perfectly edible, nutritious, pesticide free vegetables to our local communities through such organizations.

Corporate Governance

Edition Ltd. (the “Company”, and collectively with its subsidiary corporations, the “Group”) are committed to achieving high standards of corporate governance and transparency practices. The Company believes that high standards of corporate governance are imperative to the sustained growth and long-term success of the Group’s business. The Company therefore continually seeks to uphold a high standard of corporate governance and looks to improve corporate transparency to safeguard the interests of its shareholders through sound corporate policies, business practices and internal controls.

This report outlines the Company’s corporate governance processes and activities in conjunction with the Singapore Exchange Securities Trading Limited’s (the “SGX-ST”) requirements that issuers describe their corporate governance practices with specific reference to the Code of Corporate Governance 2012 (the “Code”) in their annual reports.

The Directors and Management strongly support the principles and guidelines as set out in the Code. Where there are specific deviations from the Code, the Board of Directors (the “Board”) considers the alternative corporate governance practices adopted by the Company to be sufficient to meet the underlying objective of the Code. The Code of Corporate Governance 2018 was issued on 6 August 2018 and will only be effective for the financial year commencing 1 January 2019, the Company has where possible adhered to the guidance provided. In this regard, the Company will endeavor to comply with the 2018 Code once it is effective.

Principle 1: The Board’s Conduct of Affairs

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

1.1 The Company is headed by its effective Board comprising professionals from various disciplines and entrusted with the responsibility for the overall management of the Group. The Board establishes corporate strategies of the Group, sets direction and goals for the executive team, monitors and reviews the financial performance of the Company, oversees internal controls and sets the Company’s values and standards.

The principal functions of the Board apart from its statutory responsibilities are:

a. to approve the Group’s strategic plans, key operational initiatives, major investments, major divestments and funding requirements. The Board will also, where appropriate, consider sustainability issues, such as the environmental and social impact of the Group’s business and operations as part of its strategic formulation;

b. to approve the annual budget, review the performance of the business and approve the release of the half year and full year financial results and annual report;

c. to provide guidance in the overall management of the business and affairs of the Group;

d. to oversee the processes for risk management, financial reporting and compliance;

e. to review the structure and size of the Board, following receipt of recommendation from the Nominating Committee and approve the appointment of directors and company secretary;

f. to approve the recommended framework of remuneration for the Board and key executives by the Remuneration Committee; and

g. to assume the responsibility for corporate governance of the Group.

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The Company's Constitution allows board meetings to be conducted by way of telephone or video conference. The Board meets at least twice a year and ad-hoc meetings will be convened as and when deemed necessary by the Board members. The Independent Directors also set aside time to meet without the presence of Management to review the latter's performance in meeting goals and objectives. The Board and Committees' meetings held during the financial year ended 31 December 2018 are set out under section 1.5 below. The Board had also on various occasions used written resolutions by circulation to sanction certain decisions.

1.2 All Directors recognise that they have to discharge their duties and responsibilities in the best interests of and benefit to the Company. The Directors and Chief Executive Officer ("CEO") who are in any way, directly or indirectly, interested in a transaction or proposed transaction will declare the nature of their interest in accordance with the provisions of the Companies Act, Chapter 50.

1.3 Certain functions have been delegated by the Board to its designated Board Committees including the Audit Committee, Nominating Committee and Remuneration Committee, each of which operate within clearly defined and written terms of reference. All Board Committees are chaired by an Independent Director. While these committees are delegated with certain responsibilities, the ultimate responsibility for the final decision lies with the entire Board.

1.4 The Board conducts regular scheduled meetings on a half-yearly basis. Ad-hoc meetings will be convened when circumstances require. The draft notice of each committee meetings will be circulated to the respective members two weeks in advance, to ensure each member has sufficient time to revert with the proposed agenda. The recommendation made by the Chairman of the Board with regard to proceedings of the Board and committee meetings are deliberated and adopted if accepted.

1.5 The attendance of the Directors at the Board and Board Committee meetings held during the financial year ended 31 December 2018 is set out as follows:

Name of Directors	Board		Audit Committee		Nominating Committee		Remuneration Committee	
	No. of Meeting(s)							
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Mr Ong Boon Chuan	2	2	NA	NA	NA	NA	NA	NA
Mr Lui Seng Fatt	2	2	2	2	1	1	1	1
Dr Toh See Kiat	2	2	2	2	1	1	1	1
Mr Hor Siew Fu	2	2	2	2	1	1	1	1

1.6 The Board has adopted a set of guidelines on matters that requires its approval. The following types of material transactions are specifically reserved for the Board:

a. Approval of release of financial results to the SGX-ST;

b. Approval of annual results and financial statements;

c. Declaration of interim and proposal of final dividends;

d. Approval of corporate strategies;

e. Convening of shareholders' meetings; and

f. Authorisation of major transactions and merger and acquisition transactions.

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To enable the Board to fulfill its responsibilities, the Management provides the Board with a Management report containing complete, adequate and timely information prior to the Board meetings. Where possible and where the opportunity arises, the independent directors will be invited to locations within the Group's operating businesses to enable them to gain a better perspective and enhance their understanding of the business. The Directors are briefed by professionals either during Board meetings or at separate meetings on regulatory changes which have an important bearing on the Company and the Directors' obligations to the Company.

1.7 All newly appointed Directors will be provided with formal letters setting out their duties and obligations upon appointment. They are also provided with background information about the Group's history and core values, its strategic direction and corporate governance practices as well as industry specific knowledge. Pursuant to the amended Rule 406(3)(a) of the Catalist Rules of the SGX-ST (which was revised to be consistent with the 2018 Code), for directors who have no prior experience as directors of a listed company, they will be provided with prescribed training in relevant areas as well as their duties and obligation as directors. They will be required to attend the relevant directorship courses from the Singapore Instiitute of Directors ("SID") within 1 year from their date of appointment.

The Directors are aware of the requirements in respect of their disclosure of interests in securities, disclosure of conflicts of interest in transactions involving the Company, prohibition on dealings in the Company's securities and restrictions on the disclosure of price-sensitive information. The Directors are also informed by the Financial Controller of regulatory changes that may impact the Company. The Directors will, from time to time, attend seminars and briefing sessions to enable them to keep abreast with the regulatory changes, in particular where changes to regulations and accounting standards have a material bearing on the Company. Such training included attendance by some directors for courses organised by SID, briefing and update provided by Company Secretary and other professionals in relation to changes of law, regulations and financial reporting standards. The Directors are provided with opportunities to attend trainings related to their roles every year at the Company's expenses.

The following briefings and updates have been provided by the external auditors, Nexia TS Public Accounting Corporation to the Board:

a. Updates on developments in Singapore Financial Reporting Standards;

b. Updates on the Financial Reporting Surveillance Programme administered by Accounting and Corporate Regulatory Authority; and

c. IFRS convergence.

Annually, our external auditors update the Audit Committee and the Board on new or revised financial reporting standards, if any.

Principle 2: Board Composition and Guidance

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

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2.1 The Board comprises four Directors, three of whom are Independent Directors. The Directors of the Company are:

Mr Ong Boon Chuan	(Executive Chairman and Chief Executive Officer)
Mr Lui Seng Fatt	(Lead Independent Director)
Dr Toh See Kiat	(Independent Director)
Mr Hor Siew Fu	(Independent Director)

The Board is supported by various sub-committees, namely, the Nominating Committee, Audit Committee and Remuneration Committee whose functions are described in this report.

2.2 The Board is able to exercise objective judgment independently from Management and no individual or small group of individuals dominate the decisions of the Board. With the Independent Directors making up more than half of the Board, the Nominating Committee is of the view that there is a strong and independent element on the Board. The requirement of the Code is also met for independent directors to make up at least half of the Board where the positions of the Chairman of the Board and the CEO are held by the same person.

2.3 The independence of each Director is reviewed annually by the Nominating Committee in accordance with the Code's definition of independence. Each Director is required to complete a "Confirmation of Independence of Director" form to assess his independence. The said form, which was drawn up based on the definitions and guidelines set forth in Guideline 2.3 in the Code and Section 1.2.2 of the Guidebook for Audit Committees in Singapore issued by Audit Committee Guidance Committee requires each Director to assess whether he considers himself independent despite not having any of the relationships defined in the Code. The Independent Directors have respectively confirmed that they do not have any relationship including immediate family relationship with the Company, its related companies, other directors and the 10% shareholders of the Company that would interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment with a view to the best interests of the Company. The Nominating Committee is satisfied that the Independent Directors of the Company are independent and further, that no individual or small group of individuals dominate the Board's decision-making process. Following the recent revision to the Code, the Catalist Rules has been amended to be consistent with the Code of Corporate Governance 2018. In relation to the assessment of the independence of the directors, specific tests of directors' independence have been hardcoded into the listing rules of SGX-ST to clarify that these circumstances which deemed directors not to be independent should be applied without any exceptions. Under Catalist Rule 406(3)(d)(i) and 406(3)(d)(ii) which takes effect on 1 January 2019, it stipulates that a director will not be independent if he is employed by the issuer or any of its related corporations for the current or any of the past three financial years; or if he has an immediate family member who is employed or has been employed by the issuer or any of its related corporation for the past three financial years, and whose remuneration is determined by the remuneration committee of the issuer. In this regard, the Independent Directors have confirmed that they and their respective associates do not have any employment relationships with the Company.

2.4 As of the date of this report, there is no Independent Director who has served for a continuous period of nine years or more from the date of his first appointment.

2.5 The Company does not have a board diversity policy. The Board is of the opinion that, given the scope and nature of the Group's operations, the present size of the Board is appropriate for effective decision making, with an objective of achieving a good mix and diversity of skills and experiences.

2.6 The Board is made up of Directors who are qualified and experienced in various fields including property development, construction, business administration, accountancy and law.

All board appointments will be made based on merit as set out below, and candidates will be considered against objective criteria, having due regard for the benefits of diversity of the Board and the contribution that the selected candidates will bring to the Board.

	Number of Directors	Proportion of Board
Core Competencies		
Accounting or finance	1	25%
Legal	1	25%
Business management and relevant industry knowledge or experience	2	50%

The Board members provide a range of core competencies in accounting, finance, legal, business management experience and expertise and industry knowledge. The profile of each of the Directors is set out in the "Board of Directors" section of the Annual Report for FY2018. Accordingly, the current Board comprises persons who as a group have core competencies necessary to lead and manage the Company effectively.

2.7 The Independent Directors participate actively in providing strategic guidance to the Company based on their professional knowledge, in particular, assisting to constructively challenge and develop proposals on strategy.

2.8 The Independent Directors help to review the performance of the Management in meeting their targets and objectives and monitor the reporting of performance. To this end and where appropriate, they are encouraged to arrange for meetings without the Management being present, on a regular basis and at times deemed necessary.

Principle 3: Chairman and Chief Executive Officer

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

3.1 Mr Ong Boon Chuan is the Executive Chairman of the Board and CEO of the Company. The role of the Executive Chairman and CEO is not separate as the Board is of the view that it is in the best interests of the Company to adopt a single leadership structure to ensure that the decision-making process of the Company would not be unnecessarily impeded as well as to ensure that the Company is able to grasp business opportunities efficiently and promptly. Although the roles of Chairman and CEO are not separated, the Audit Committee, Nominating Committee and Remuneration Committee are chaired by Independent Directors. In addition, the Board believes that there are sufficient safeguards and checks in place to ensure that the process of decision making by the Board is independent and based on collective decisions, without any individual or group of individuals exercising any considerable concentration of power or influence. All major decisions are made in consultation with the Board as a whole.

3.2 As the Executive Chairman, Mr Ong Boon Chuan is responsible for, amongst others:

a. Leading the Board to ensure its effectiveness on all aspects of its role, scheduling meetings of the Board and setting the Board meeting agenda in consultation with the Company's senior management;

b. Exercising control over quality, quantity and timeliness of the flow of information between Management and the Board;

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c. Ensuring that the Board meets the Management for informal meetings on a monthly basis, or when required;

d. Assisting in ensuring compliance with the Company's guidelines on corporate governance;

e. Ensuring effective communication with Shareholders;

f. Encouraging constructive relations between the Board and Management as well as between Executive Directors and Non-Executive and Independent Directors; and

g. Facilitating the effective contribution of Non-Executive and Independent Directors in particular.

3.3 Mr Lui Seng Fatt has been appointed as the Lead Independent Director of the Company on 30 June 2016 and he is available to Shareholders should they have concerns which cannot be resolved through the normal channels of the Executive Chairman or Financial Controller or for which such contact is inappropriate and acts as a counter-balance in the decision-making process. Where warranted, the Lead Independent Director will meet the Independent Directors of the Company without the presence of Management and the other executive directors to review any matters that must be raised privately. Any feedback will be given to the Executive Chairman after such meetings.

His other specific roles as Lead Independent Director are to:

a. Lead the Independent Directors to provide non-executive perspectives in circumstance where it would be inappropriate for the Executive Chairman to serve in such capacity and to contribute a balanced viewpoint to the Board;

b. Advise the Executive Chairman as to the quality, quantity and timeliness of the information provided and/or submitted by Management that is necessary or appropriate for the Independent Directors to effectively and efficiently perform their duties; and

c. Where necessary, the Independent Directors shall meet without the presence of the other directors and the Lead Independent Director shall provide feedback to the Chairman after such meetings.

Principle 4: Board Membership

Board Membership and Board Performance

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

4.1 To facilitate a formal and transparent process for the appointment of new Directors, the Board has formed the Nominating Committee.

The Nominating Committee comprises:

Mr Lui Seng Fatt	(Chairman)
Dr Toh See Kiat	(Member)
Mr Hor Siew Fu	(Member)

The Nominating Committee comprises three members, all of whom, including the Chairman are Independent Directors.

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4.2 The Nominating Committee has written terms of reference and its role includes:

a. Making recommendations to the Board on all board appointments, including the development of a set of criteria for Director's appointments;

b. Re-nominating Directors, having regard to the Director's contribution to the Group and his performance at Board Meetings, for example, attendance, participation and critical assessment of issues deliberated by the Board;

c. Considering and determining on an annual basis, whether or not a Director is independent;

d. Deciding on how the Board's performance may be evaluated and propose objective performance criteria to the Board; and

e. Assessing the effectiveness of the Board as a whole and the contribution by each individual Director to the effectiveness of the Board.

4.3 The Nominating Committee's assessment of the independence of a director is guided by the Code and takes into account factors such as relationship with the Company, its related corporations, its 10% shareholders or its officers and whether these relationships interfere with his business judgements. The Nominating Committee has reviewed the independence of Mr Lui Seng Fatt, Dr Toh See Kiat and Mr Hor Siew Fu and is satisfied that there are no relationships which would deem any of them not to be independent.

4.4 The Nominating Committee decides how the Board's performance is to be evaluated and proposes objective performance criteria, subject to the approval of the Board, which addresses how the Board has enhanced long-term shareholders' value.

The Nominating Committee resolved that each director of the Company shall have appointments in no more than five board representations in other listed companies. Every year, the Nominating Committee reviews the number of listed company board representations and principal commitments the Directors hold as well as the composition of the Board. Although some of the Board members have multiple board representations and principal commitments, the Nominating Committee is satisfied that the Directors have devoted sufficient time and attention to the Company. The Board has experienced minimal competing time commitments among its members as Board meetings are planned and scheduled well in advance of the meeting dates.

Pursuant to the Constitution of the Company:

a. One third of the Directors shall retire from office at every Annual General Meeting (the "AGM"); and

b. Directors appointed during the course of the year must submit themselves for re-election at the next AGM of the Company.

The Board had accepted the Nominating Committee's recommendation to seek approval from Shareholders at the forthcoming AGM to re-elect Mr Ong Boon Chuan and Mr Hor Siew Fu who will be retiring according to Article 91 of the Constitution of the Company. In reviewing the re-nomination of the Board members who are due for re-election as a director of the Company, no member of the Board shall vote in respect of his own re-nomination.

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Pursuant to Rule 720(5) of the Catalist Rule of the SGX-ST, the information relating to the retiring Directors as set out in the Appendix 7F of the Catalist Rules of the SGX-ST is disclosed below:

	MR ONG BOON CHUAN	**MR HOR SIEW FU**
Date of Appointment	21 July 2014	30 June 2016
Date of last re-appointment	25 April 2017	25 April 2017
Age	63	68
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the contribution, performance, attendance, preparedness, participation, candour and suitability of Mr Ong Boon Chuan ("Mr Ong") for re-appointment as Executive Chairman and Chief Executive Officer of the Company. The Board has reviewed and concluded that Mr Ong possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the qualification, work experiences, contribution, performance, attendance, preparedness, participation, candour and suitability of Mr Hor Siew Fu ("Mr Hor") for re-appointment as an Independent Director of the Company. The Board has reviewed and concluded that Mr Hor possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board. The Board considers Mr Hor to be independent for the purpose of Rule 704(7) of the Listing Manual of the SGX-ST
Whether appointment is executive, and if so, the area of responsibility	Executive Mr Ong is responsible for the Group's business operations and strategic planning.	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Chairman and Chief Executive Officer	Independent and Non-Executive Director, Chairman of Audit Committee and a member of both the Remuneration and Nominating Committee.

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	MR ONG BOON CHUAN	MR HOR SIEW FU
Professional qualifications	Technical Diploma in Building	Fellow member of the Association of Chartered Certified Accountants (United Kingdom), Institute of Singapore Chartered Accountants, Bachelor of Accountancy, University of Singapore, and Master of Business Administration, MacQuarie University, Sydney, Australia
Working experience and occupation(s) during the past 10 years	1987-present, Executive Chairman and CEO, TG Corporate Holdings Pte. Ltd. and its subsidiary corporations	2014-2016, Chief Financial Officer, Albedo Ltd (now known as JCG Investment Holdings Ltd) 2007-2013, Chief Financial Officer, CosmoSteel Holdings Ltd.
Shareholding interest in the listed issuer and its subsidiary corporations	Deemed interest: 2,156,703,100	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiary corporations	(i) Mr Ong is the spouse of Mdm Kok Lee Kuen, a substantial shareholder (ii) Mr Ong is deemed interest in shares of the Company held by B&L Group Pte. Ltd.	No
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments* Including Directorships# **Past (for the last 5 years)** **Present**	 None <u>Principal commitments</u>: TG Corporate Holdings Pte. Ltd. and its subsidiary corporations (Director)	 None <u>Principal commitments:</u> CosmoSteel Holdings Ltd (Director)

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	MR ONG BOON CHUAN	MR HOR SIEW FU
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
Whether there is any unsatisfied judgment against him?	No	No
Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No

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	MR ONG BOON CHUAN	MR HOR SIEW FU
(a) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(b) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(c) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(d) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No

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	MR ONG BOON CHUAN	MR HOR SIEW FU
(e) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– **i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or** **ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or**	No	No
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or **iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere** **in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?**	No	No

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	MR ONG BOON CHUAN	MR HOR SIEW FU
(f) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Disclosure applicable to the appointment of Director only		
Any prior experience as a director of a listed company? **If yes, please provide details of prior experience.** **If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.** **Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).**	N.A.	N.A.

When considering the re-nomination of Director for re-election, the Nominating Committee had considered the Directors' overall contribution and performance (such as time commitment by the Board members with multiple board representation, attendance, preparedness, participation and candour) with reference to the results of the assessment of the performance of the individual director by his peers. Upon review, the Directors are recommended to the Board for re-appointment. The Nominating Committee is satisfied that the performance criteria are satisfied for the financial year in review.

As a Director's ability to commit time to the Group's affair is essential for his contribution and performance, the Nominating Committee has determined that the maximum number of listed company representation which any Director of the Company may hold is five (5) and all Directors have complied. Having reviewed each of the other Director's directorship in other companies as well as each of the Director's attendance and contribution in FY2018, the Nominating Committee is satisfied that the Directors have spent adequate time on the Company's affairs and have duly discharged their responsibilities.

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4.5 The process for the shortlisting, selection and appointment of all new directors is spearheaded by the Nominating Committee. In the selection and nomination of a new director, the Nominating Committee taps on the resources of the Directors' personal contacts for recommendation of potential candidates. External help (for example executive recruitment agencies) would be used to source for potential candidates, if need be. Interviews are set up with potential candidates so that the Nominating Committee is able to assess each prospective candidate before a decision is made for recommendation to the Board for final approval. Currently, no new director or alternate director in respect of any of the Directors has been appointed during the year.

4.6 The Nominating Committee has reviewed the board succession plan for directors, in particular for the Chairman of the Board cum CEO.

4.7 The key information of the Directors as at the date of this report is set out below:

Name of Directors	Date of initial appointment as Director/ Date of last re-election as Director	Present directorship in other listed companies / other principal commitments	Past directorship in other listed companies / other principal commitments in the preceding five (5) years
Mr Ong Boon Chuan (Executive Chairman and Chief Executive Officer)	21 July 2014 / 25 April 2017	Principal commitments: TG Corporate Holdings Pte. Ltd. and its subsidiary corporations (Director)	–
Mr Lui Seng Fatt (Lead Independent Director)	21 July 2014 / 26 April 2018	Principal commitments: Strategic Capital Global Pty. Ltd. (Chairman and Director)	–
Dr Toh See Kiat (Independent Director)	19 August 2014 / 26 April 2018	Principal commitments: Goodwins Law Corporation (Chairman and Director) CommerceNet Singapore Ltd (Director) Mount Carmel BP Church Ltd. (Member)	Principal commitments: The Pwee Foundation Ltd (Secretary)
Mr Hor Siew Fu (Independent Director)	30 June 2016 / 25 April 2017	Principal commitments: Cosmosteel Holdings Ltd (Director)	–

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Principle 5: Board Performance

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

5.1 Annually, the Nominating Committee has conducted a formal assessment on the performance of the Board (including Board Committees) as a whole in view of the complementary and collective nature of the Directors' contributions as well as individual assessment of each director with inputs from other Board members and the Chairman.

5.2 The qualitative criteria used to evaluate the overall Board performance include the composition of the Board, information flow to the Board, Board procedures, corporate strategy and planning, risk management and accountability as well as matters concerning key management personnel and standard conduct of its Board members.

5.3 At the end of each financial year, a Board and individual evaluation are conducted where the Directors complete a questionnaire seeking their views on a set of criteria which include Board's conduct of meetings, maintenance of independence, board accountability, communication with Management, etc. The Company Secretary then compiles the Directors' responses to the questionnaires into a summarised report and circulates the same to the Nominating Committee and the Board for discussion. Following the evaluation, the Board is of the view that the Board and its Board Committees operate effectively.

The Chairman of the Nominating Committee uses the results of the performance evaluation and, where appropriate and in consultation with the Nominating Committee, to determine whether to re-nominate Directors who are due for retirement at the next AGM or to propose new members to be appointed to the Board. Each member of the Nominating Committee shall abstain from voting on any resolution in respect of his performance or re-nomination as a Director.

The criteria for performance are not changed from year to year except when deemed necessary and justifiable. Where the performance criteria are deemed necessary to be changed, the onus should be on the Board to justify this decision. To-date, no external facilitator has been used.

Principle 6: Access to Information

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

6.1 The Management provides the Board with project briefs at an early stage to keep the Board abreast of the progress of the projects and potential business developments.

6.2 The Board is provided with complete and adequate information prior to Board meetings. Board papers are generally distributed to Directors in advance, including financial management reports, reports on performance of the Group against the budget with notes on any significant variances, papers pertaining to matters requiring the Board's decision, updates on key outstanding issues, strategic plans and developments in the Group. However, sensitive matters may be tabled at the meeting itself or discussed without any papers being distributed.

6.3 The Directors have separate and independent access to the Company's senior management, Sponsor and the Company Secretary at all times. Should the Directors, whether as a group or individually, require independent professional advice concerning any aspect of the group's operations or undertakings in order to fulfill their roles and responsibilities as directors, such professionals (who will be selected with the approval of the Executive Chairman or the Chairman of the Committee requiring such advice) will be appointed and the expenses of such services will be borne by the Company.

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6.4 The Company Secretary provides corporate secretarial support to the Board and senior management as well as ensures adherence to the Board procedures and relevant rules and regulations which are applicable to the Company. The Company Secretary attends Board and Board Committees Meetings and is responsible for ensuring that Board procedures are followed. The appointment and removal of the Company Secretary is a matter that has to be decided by the Board as a whole.

6.5 The Company has in place procedures for Directors to seek independent advice, where necessary, in the furtherance of their duties and at the Company's expenses.

Principle 7: Procedures for Developing Remuneration Policies

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

7.1 The Remuneration Committee, regulated by a set of written terms of reference, comprises three members, all of whom, including the Chairman are independent directors. The members of the Remuneration Committee are as follows:

Dr Toh See Kiat	(Chairman)
Mr Lui Seng Fatt	(Member)
Mr Hor Siew Fu	(Member)

7.2 The Remuneration Committee's roles include reviewing and recommending to the Board an appropriate and competitive framework for the remuneration for the Board and key executives of the Group and to ensure that it attracts, retains and motivates them to run the Group successfully.

7.3 No independent remuneration consultant has been engaged for advising on the remuneration of Directors during the financial year. However, in discharging its functions, the Remuneration Committee may obtain independent external professional advice as it deems necessary. The expenses of such advice shall be borne by the Company.

7.4 The Remuneration Committee reviews the Executive Director and key executives' contracts during termination, to ensure that such contracts of services contain fair and reasonable termination clauses.

Principle 8: Level and mix of Remuneration

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

8.1 In setting remuneration packages, the Remuneration Committee will take into account the performance of the Group as well as the Executive Director and key executives, aligning their interests with those of Shareholders and linking rewards to corporate and individual performance as well as industry benchmarks. The review of remuneration packages takes into consideration the longer-term interests of the Group. The review covers all aspects of remuneration including salaries, fees, allowances, bonuses, options and benefits-in-kind. The Remuneration Committee's recommendations are made in consultation with the Chairman of the Board and submitted for endorsement by the entire Board. No Director shall participate in decisions on his own remuneration. The payment of Directors' fees is subject to the approval of Shareholders.

Corporate Governance

The Executive Director of the Company does not receive any directors' fees but is remunerated as a member of Management. The remuneration package of the Executive Director and the key executives comprises a basic salary component and a variable component which is the annual bonus, based on the performance of the Group as a whole and their individual performance. This is designed to align remuneration with the interests of the Shareholders and link rewards to corporate and individual performance so as to promote the long-term sustainability of the Group.

The remuneration of the Independent Directors is in the form of a fixed fee which is determined after taking into consideration factors such as effort, time spent and responsibilities of the Directors. The Independent Directors' fees are subject to Shareholders' approval at the Annual General Meeting.

8.2 Remuneration of Independent Directors is set at a level commensurate with the level of responsibility and after taking into account industry benchmarks. The Company believes that the current remuneration of Independent Directors is at a level that will not compromise the independence of the directors.

Principle 9: Disclosure on Remuneration

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

9.1 Taking note of the competitive pressure in the talent market and the confidentiality attached to the remuneration matters, the Board has, on review, decided not to disclose the remuneration of the Company's Directors and CEO in nearest thousand.

9.2 A breakdown showing the level and mix of each individual Director and Chief Executive Officer's remuneration for the financial year ended 31 December 2018 is set out below:

Directors	Salary	Bonus	Directors' fees	Others	Total Remuneration
S$500,000 to S$750,000					
Mr Ong Boon Chuan[1]	92%	7%	–	1%	100%
Below S$250,000					
Mr Lui Seng Fatt	–	–	100%	–	100%
Dr Toh See Kiat	–	–	100%	–	100%
Mr Hor Siew Fu	–	–	100%	–	100%

Note:

1. Mr Ong Boon Chuan was appointed as Executive Chairman and Chief Executive Officer of the Company on 21 July 2014. Based on his service agreement, Mr Ong is eligible to a fixed bonus and a performance bonus. For performance bonus, if the consolidated profit before income tax of the Group ("PBT") exceeds S$2 million based on the audited financial statements, Mr Ong Boon Chuan will be paid equivalent to 2% of the first S$1 million of the PBT exceeding S$2 million, S$20,000 plus 3% of the next S$1 million of the PBT, S$50,000 plus 4% of the next S$1 million of the PBT, and S$90,000 plus 5% of the PBT in excess of S$5 million. Based on the audited financial statements for FY2018, no performance bonus would be paid to Mr Ong.

The performance conditions used to determine the performance bonus of the Executive Director and key executives comprises qualitative and quantitative conditions. The performance conditions are set by the Remuneration Committee and the Remuneration Committee has reviewed and is satisfied that the performance condition of the Directors and key executives were met for the financial year ended 31 December 2018.

Corporate Governance

9.3 Regarding the Code's recommendation to fully disclose the remuneration of at least the top 5 key executives who are not Directors or CEO, the Company only has 3 key executives during the financial year ended 31 December 2018 and it does not believe it to be in its best interests to disclose the identity and remuneration of its top 3 key executives, having considered the highly competitive human resource environment for personnel with the requisite knowledge, expertise and experience in the Company's business activities. Such disclosure may give rise to talent retention issues and would cause negative impact to the Company, if the key executives are poached.

Having considered several factors, the Group is of the view that in order to maintain confidentiality of the remuneration matters, remuneration of the top 3 key executives will be disclosed on a band-wide manner, without further disclosing the names of these key executives, as well as breakdown of their remuneration, and the aggregate of the total remuneration.

The remuneration of the key executives of the Group (who are not Directors or the Chief Executive Officer) for FY2018 is set out below:

	Number of Key Executives
Below S$250,000	3

The remuneration of these key executives falls within the bands of below S$250,000 for that financial year.

The remuneration paid to Mr Ong Kai Hian and Mr Ong Kai Hoe, who are sons of Mr Ong Boon Chuan (Executive Chairman, CEO and Controlling Shareholder of the Company) for the financial year ended 31 December 2018 is in bands of S$50,000 set out below:

Employees	Salary	Bonus	Others	Total Remuneration
S$100,001 to S$150,000				
Mr Ong Kai Hian	80%	7%	13%	100%
Mr Ong Kai Hoe	80%	7%	13%	100%

Mr Ong Kai Hian and Mr Ong Kai Hoe are directors of the Edition Development group of companies for FY2018. The basis of determining the remuneration of Mr Ong Kai Hian and Mr Ong Kai Hoe is the same as the basis of determining the remuneration of the other key executives. Mr Ong Kai Hoe has ceased to be a director of the subsidiary corporations with effect from 15 March 2019.

For the financial year ended 31 December 2018, there were no termination, retirement or post-employment benefits granted or may be granted to the Directors, the CEO and key executives other than the standard contractual notice period termination payment in lieu of service, and the benefits for the CEO and relevant key executives.

Where appropriate, the Remuneration Committee reviews the service contracts of the Company's Executive Directors and key executives. Service contracts for Executive Directors are renewable for a fixed appointment period of two or three years and may be terminated by not less than three or six months' notice in writing served by either party or salary in lieu of notice.

There are no contractual provisions under the present remuneration structure that allows the Company to reclaim variable incentive components of remuneration from the Executive Directors and key executives. However, in alignment with current regulatory standards, the variable incentives of the Executive Directors and key executives may be clawed back in the event of exceptional circumstances of misstatement of financial results or of misconduct resulting in financial or other losses to the Company.

9.4 The Company's compensation framework comprises fixed salary, short term and long-term incentives. The Company subscribes to linking the executive remuneration to corporate and individual performance, based on an annual appraisal of employees and using indicators such as core values, competencies, key result areas, performance rating and potential of the employees. Profit sharing scheme has been put in place to motivate and reward employees and align their interests to maximise long-term shareholders' value.

9.5 The Executive Directors and eligible employees are participants to options under the Edition Employee Share Option Scheme ("Edition Scheme") and Edition Performance Share Plan ("Edition Share Plan") approved by shareholders on 21 November 2017. The Edition Scheme and Edition Share Plan provides opportunities for its participants who have contributed significantly to the growth and performance of the Company to participate in the equity of the Company, thereby aligning their interests with shareholders.

Information on the Edition Scheme and Edition Share Plan such as size of grants, exercise price of options that were granted as well as outstanding and vesting period of options are set on page 93 to 94 of the Annual Report.

Principle 10: Accountability

The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

10.1 In presenting the annual financial statements and announcements of financial results to Shareholders, it is the aim of the Board to provide Shareholders with a balanced and understandable assessment of the Company's and Group's performance, position and prospects.

10.2 The Board is mindful of the obligation to provide timely and fair disclosure of material information and price sensitive information. The Board is accountable to the Shareholders while the Management is accountable to the Board. The Board provides Shareholders with half yearly and annual financial results. Results for the half yearly are released to Shareholders within 45 days of end of the relevant financial period whilst annual results are released within 60 days from the financial year end.

10.3 Board papers are given to Board members prior to any Board meeting to facilitate effective discussion and decision making.

Principle 11: Risk Management and Internal Controls

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

11.1 The Board acknowledges that it is responsible for the governance of risks and the overall internal control framework, but recognises that no cost-effective system will preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss. The internal controls in place will address the financial, operational, compliance, information technology and sustainability risks and the objectives of these controls are to provide reasonable assurance that there are no material financial misstatements or material loss, that there is proper maintenance of accounting records, that the financial information presented are reliable and that assets are safeguarded.

The external auditors, during the conduct of their normal audit procedures, will also report on matters relating to internal controls. Any material non-compliance and recommendation for improvement will be reported to the Audit Committee.

Corporate Governance

11.2 The Board, with the assistance of the Audit Committee and the external auditors, has reviewed the adequacy and effectiveness of the Group's risk management systems and system of internal controls addressing key financial, operational, compliance and information technology risks.

11.3 Based on the reviews conducted, the Board, with the concurrence of the Audit Committee, is of the opinion that the risk management systems and the system of internal controls on the financial, operational, compliance and information technology risks were adequate and effective throughout and as at end of the financial year.

The Board has also received assurance from the CEO and Financial Controller that the financial records as at 31 December 2018 have been properly maintained and the financial statements for the financial year under review give a true and fair view of the Company's operations and finances, as well as the Company's risk management and internal control systems are adequate and effective throughout the financial year.

Principle 12: Audit Committee

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

12.1 The Audit Committee consists of the following directors, all of whom are Independent Directors:

Mr Hor Siew Fu	(Chairman)
Mr Lui Seng Fatt	(Member)
Dr Toh See Kiat	(Member)

12.2 The Company is of the view that given the size of the Company and expertise rendered by the Audit Committee in the past years, the Audit Committee has sufficient financial and management expertise and experience amongst its members to discharge the Audit Committee's responsibilities.

12.3 The Audit Committee is also authorised to investigate any matter within its terms of reference. It has full access to and the cooperation from Management and the full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly. The executive management of the Company attends meetings of the Audit Committee on invitation.

12.4 The Audit Committee has written terms of reference. Specifically, the Audit Committee meets on a periodic basis to perform the following functions:

a. To review the annual consolidated financial statements and the independent auditor's report on those financial statements, and discuss any significant adjustments, major risk areas, changes in accounting policies, compliance with relevant financial reporting standards, concerns and issues arising from their audits including any matters which the auditor may wish to discuss in the absence of the Management, where necessary, before submission to the Board for approval;

b. To review the cooperation given by the Management to the independent auditor;

c. To ensure that the internal audit function is adequately resourced and review the adequacy and effectiveness of the internal audit function at least annually;

d. To review the cost effectiveness of the independent audit, and where the independent auditor provides non-audit services to the Company, to review the nature, extent and costs of such services and the independence and objectivity of the independent auditor;

Corporate Governance

e. To review the periodic consolidated financial statements of the Group before submission to the Board for approval for release of the results announcement to the SGX-ST;

f. To recommend to the Board the appointment, re-appointment or removal of the independent auditor and approve the remuneration and terms of engagement of the independent auditor; and

g. To review all interested person transactions to ensure that each has been conducted on an arm's length basis.

12.5 A former partner or director of company's existing auditing firm or auditing corporation should not act as a member of the company's Audit Committee: (a) within a period of 2 years commencing on the date of his ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case (b) for so long as he has any financial interest in the auditing firm or auditing corporation.

The Audit Committee meets the external auditors at least once annually without the presence of the Company's Management. This is to review the co-operation rendered by Management to the external auditors, the adequacy of audit arrangements, with particular emphasis on the scope and quality of their audit, internal controls including internal audit matters and the independence and objectivity of the external auditors. It also examines any other aspects of the Company's affairs, as it deems necessary when such matters relate to exposures or risks of regulatory or legal nature, and monitor the Company's compliance with its legal, regulatory and contractual obligations.

In the selection of suitable audit firms, the Audit Committee takes into account several considerations such as the adequacy of the resources and experience of the auditing firm and the audit engagement partner assigned to the audit, the firm's other audit engagements, the size and complexity of the Group being audited, and the number and experience of supervisory and professional staff assigned to the audit. The selected auditing firm based in Singapore is engaged as auditors for the Company as well as Singapore-incorporated subsidiary corporations of the Company. The Group's significant subsidiary corporations are audited by the same auditing firm for the Company. Accordingly, the Company is in compliance with Rules 712 and 715 of the Catalist Rules.

The re-appointment of external auditors is always subject to shareholders' approval at the Annual General Meeting of the Company.

12.6 The amount of fees paid/payable to the independent auditors for audit services for the financial year ended 31 December 2018 is S$67,000.

The Audit Committee also reviews all non-audit services provided by the external auditors to ensure that the provision of these services does not affect the independence of the auditors. For the financial year ended 31 December 2018, Nexia TS Public Accounting Corporation provided tax compliance services to the Company other than the audit services. The non-audit fees paid/payable to Nexis TS Public Accounting Corporation amounted to S$3,000 for the financial year ended 31 December 2018. The Audit Committee is satisfied that provision of such services did not prejudice the independence and objectivity of the external auditors.

12.7 The Company has in place a whistle-blowing code and arrangements by which the staff and contractors (including vendors and service providers) may in confidence, raise concerns about possible corporate improprieties in matters of financial reporting or other matters to ensure independent investigation of such matters and for appropriate follow up action, all whistle-blowing reports are sent to the Chairman of Audit Committee at horsviii@yahoo.com.sg.

The Audit Committee oversees the administration of the whistle-blowing code. Periodic reports will be submitted to the Audit Committee stating the number and the complaints received, the results of the investigations and follow-up actions.

There were no complaints received for the financial year ended 31 December 2018.

Corporate Governance

12.8 The Audit Committee is kept abreast by the Management and the external auditors of changes to accounting standards, Listing Rules of the SGX-ST and other regulations which could have an impact on the Group's business and financial statements.

12.9 With reference to the joint recommendations made by the Monetary Authority of Singapore, Accounting and Corporate Regulatory Authority and Singapore Exchange Securities Trading Limited, the audit committees of all Singapore-listed entities are encouraged to disclose their perspective and assessment on key audit matters ("KAM"). The AC has considered the KAM presented by the external auditors together with the Management. The AC has reviewed the KAM and concurs and agrees with the external auditors and Management on their assessment, judgements and estimates on the significant matters reported by the external auditors.

Principle 13: Internal audit

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

13.1 The Audit Committee approves the hiring, removal, evaluation and compensation of the internal auditors. The Company has outsourced the internal audit functions of the Group to Baker Tilly Consultancy (Singapore) Pte Ltd. The internal auditors will report directly to the Audit Committee. The internal auditors have unfettered access to all the Company's documents, records, properties and personnel, including access to the Audit Committee. To ensure the adequacy and effectiveness of the internal audit function, the Audit Committee will review and approve the internal audit plan and assess the effectiveness of the internal audit by examining the scope of the internal auditor's work and its independence, the internal auditor's reports and its relationship with the external auditors on an annual basis. The Audit Committee will ensure that the internal auditors meet or exceed the standards set by nationally or internationally recognised professional bodies including the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The Audit Committee is satisfied that the internal auditors have provided adequate staffing with relevant qualifications and experience to conduct the internal audits.

13.2 The responsibility of overseeing the Company's risk management framework and policies is undertaken by the Audit Committee. Management regularly reviews the Company's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. Management reviews all significant control policies and procedures and highlights all significant matters to the Board and Audit Committee. Having considered the Company's business operations, the statutory audit by external auditors as well as the existing internal controls and risk management systems, the Board is of the view that a separate risk committee is not required for the time being.

13.3 The Board has reviewed the adequacy of the Group's internal controls framework in relation to financial, operational, compliance and information technology controls as well as risk management systems of the Group. Based on the work performed by the internal auditors during the financial year, as well as the statutory audit by the external auditors, the Board, with the concurrence of the Audit Committee, is of the view that the Group's internal controls addressing financial, operational, compliance and information technology controls as well as risk management systems are effective and adequate as at 31 December 2018. The Board acknowledges that no system of internal controls can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, fraud or other irregularities.

13.4 The Board has received assurances from the CEO and Financial Controller that the financial records as at 31 December 2018 have been properly maintained and the financial statements for the financial year under review gives a true and fair view of the Group's operations and finance, and that the Group's risk management and internal control systems are adequate and effective.

Corporate Governance

Principle 14: Shareholders' Rights and Responsibilities

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

14.1 The Company is mindful of its obligation to ensure that timely and adequate disclosure of matters which are of material impact to the Company, are made to the Shareholders of the Company, in compliance with the requirements set out in the Catalist Rules, with particular reference to the Corporate Disclosure Policy set out therein. In this respect, the Company announces its results to its Shareholders on a half-yearly basis.

14.2 Shareholders are given the opportunity to participate in and vote at general meetings in accordance with the voting rules and procedures, where the voting process is clearly explained by a representative from an independent scrutineer's firm appointed at the general meetings.

14.3 The Company's Constitution allows a member of the Company who is not a relevant intermediary to appoint not more than two proxies to attend and vote at general meetings. A member who is a relevant intermediary is entitled to appoint more than two proxies to attend and vote at general meetings. Corporations which provide nominee or custodial services are allowed to appoint more than two proxies so that shareholders who hold shares through such corporations can attend and participate in general meetings as proxies. For the time being, the Board is of the view that two proxies for each non-intermediary member is adequate to enable Shareholders to participate in general meetings of the Company and is not proposing to amend the Constitution to allow votes in absentia. All Shareholders have the opportunity to participate effectively in and vote at general meetings. Separate resolutions on each distinct issue are tabled at general meetings.

The Company may also hold media meetings on significant events.

In addition to the above, the Company does not practice selective disclosure and shareholders may submit their feedback and raise any questions to the Company via info@edn.sg or via phone call at (65) 6440 6633.

Principle 15: Communication with Shareholders

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

15.1 The Company employs multiple communication platforms to engage with its shareholders. In addition to its results briefing, the Company also maintains regular dialogue with its shareholders through its AGM, EGMs, group briefings and one-to-one meetings and discussions pertaining to the business's strategy, operational performance and business prospects. These platforms offer opportunities for senior management and directors to interact first-hand with shareholders, understand their views, gather feedback and address concerns.

15.2 Shareholders are kept informed of developments and information of the Group through announcements published via SGXNET and the press when necessary as well as in the Annual Report. Other announcements are also made on an ad-hoc basis where applicable. A copy of the Annual Report and notice of the AGM are sent to all shareholders of the Company within the mandatory prescribed period.

Principle 16: Conduct of Shareholder Meetings

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

Corporate Governance

16.1 At general meetings, shareholders of the Company are given the opportunity to air their views and ask Directors or Management questions regarding the Company. The Company's external auditors are also present at the Annual General Meeting and are available to assist the directors in addressing any relevant queries by Shareholders relating to the conduct of audit and preparation and content of the auditor's report.

16.2 "Bundling" of resolutions are kept to a minimum and done only where the resolutions are interdependent as to form one significant proposal and only where there are reasons and material implication involved.

16.3 The Board, Management and external auditors will be present at these meetings to address any questions that Shareholders may have.

16.4 All minutes of general meetings are available to shareholders upon their request.

16.5 With effect from 1 August 2015, the Company conducts the voting of all its resolutions by poll at its general meetings. The detailed voting results of each of the resolutions tabled are announced on the same day after the meetings. The total number of votes cast for or against the resolutions are also announced after the meetings via SGXNET.

The Company does not have a fixed dividend policy at present. The form, frequency and amount of dividend will depend on the Company's earnings, general financial condition, results of operations, capital requirements, positive cash flow generated from operations, general business condition, development plans and other factors as the Directors deem appropriate.

To ensure that there are adequate resources and sufficient cash reserves for the Company's future use and new investment, the Board is not recommending any dividend for the financial year ended 31 December 2018.

RISK MANAGEMENT

The Board acknowledges that risks are inherent in business and views the taking of risks as a prelude to generating returns. However, the Company regularly reviews and improves its business and operational activities to identify areas of significant business risks as well as take appropriate measures to control and mitigate these risks.

The primary responsibility for identifying business risk lies with Management, who then tables and recommends processes to the Board for their review and deliberation and for formulating policies to deal with the risks.

DEALINGS IN SECURITIES

The Company has adopted its own internal guide for dealings in the Company's securities by its Directors and employees. The Directors and employees of the Group are not allowed to deal in the Company's securities during the period commencing one month before the announcement of the Company's half year and full year results until after the release of the announcement, and at any time they are in possession of unpublished material price sensitive information in relation to these securities. The Company, Directors, officers and employees of the Company and the Group are also advised not to deal in the Company's securities on short-term considerations.

The Company, Directors and employees of the Company are also advised to observe insider trading laws at all times even when dealing in the Company's securities within the permitted periods. Directors of the Company are required to report all dealings to the Company Secretary.

This is in line with Rule 1204(19) of the Catalist Rules.

Corporate Governance

INTERESTED PERSON TRANSACTIONS

The Company monitors all its interested person transactions closely and all interested person transactions are subject to review by the Audit Committee.

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

Disclosure according to Rule 907 of the Catalist Rules in respect of interested person transactions for the financial year ended 31 December 2018 is stated in the table below:

Name of interested person	**Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)**	**Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)**
	$'000	**$'000**
TG Management Pte. Ltd., a company owned by associates of Mr Ong Boon Chuan, a Director and Controlling Shareholder of Edition Ltd. Scope of services: corporate services including bookkeeping, HR and payroll, IT support, use of office space, utilities and other general corporate administrative activities	94	–
Thye Chuan Engineering Construction Co. Pte Ltd, a company owned by associates of Mr Ong Boon Chuan, a Director and Controlling Shareholder of Edition Ltd. Scope of services: Supply of labour for construction and maintenance of greenhouse by MEOD Pte. Ltd.	163	–

As at 31 December 2018, the aggregate value of the transactions entered into with the same interested person amounted to $257,000 and this is less than 3% of the Group's latest audited net tangible assets.

MATERIAL CONTRACTS

There were no material contracts of the Company or any of its subsidiary corporations, involving the interest of any Director, Chief Executive Officer or controlling shareholder subsisting at the end of the financial year ended 31 December 2018, or if not then subsisting, entered into since the previous financial year.

Corporate Governance

NON-SPONSOR FEES

No non-sponsorship fees were paid to the Sponsor for the financial year ended 31 December 2018.

UTILISATION OF PROCEEDS

On 21 February 2014, the Company entered into a placement and call option agreement for the issue and allotment of 210,000,000 new shares and call option for the issue and allotment of up to 210,000,000 shares at an issue and exercise price of S$0.03 per share.

During the financial year ended 31 December 2015, the Company completed a rights issue in which 2,138,515,740 shares have been allotted and issued (the "Rights Issue"). The Rights Issue was completed on 8 July 2015 and the total proceeds from the Rights Issue were $21.39 million.

The details of the utilisation of the net proceeds are as shown below:

Placement

Description	Amount allocated ($ million)	Amount Utilised as at 31 December 2018 ($ million)	Balance ($ million)
Exploration of the property development business	5.4	(3.4)	2.0
General working capital*	0.6	(0.6)	–
Total	6.0	(4.0)	2.0

The use of net proceeds from the Placement is in accordance with the intended use as set out in the circular dated 24 June 2014.

Rights Issue

Description	Amount allocated ($ million)	Amount reallocated as per the circular dated 6 November 2017 ($ million)	Revised allocation ($ million)	Amount Utilised as at 31 December 2018 ($ million)	Balance ($ million)
Exploration of the property development business	12.1	(8.2)	3.9	–	3.9
General corporate activities(1)	5.0	6.2	11.2	(6.7)	4.5
General working capital(2)	4.0	2.0	6.0	(3.4)	2.6
Total	21.1	–	21.1	(10.1)	11.0

(1) General corporate activities mainly consist of funding for operation in Agricultural business segment.

(2) General working capital mainly consist of employees' compensation, professional fees and other administrative expenses.

The use of net proceeds from the Rights Issue is in accordance with the intended use as set out in the offer information statement dated 17 June 2015, which was subsequently adjusted in the Circular dated 6 November 2017.

Financial Contents

Directors' Statement

For the Financial Year Ended 31 December 2018

The directors are pleased to present their statement to the members together with the audited financial statements of Edition Ltd. (the "Company") and its subsidiary corporations (collectively the "Group") for the financial year ended 31 December 2018 and the balance sheet of the Company as at 31 December 2018 and statement of changes in equity of the Company for the financial year then ended.

In the opinion of the directors,

(a) the balance sheet and statement of changes in equity of the Company and the consolidated financial statements of the Group as set out on pages 56 to 104 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2018 and the financial performance, changes in equity and cash flows of the Group covered by the consolidated financial statements and changes in equity of the Company for the financial year ended on that date; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Mr Ong Boon Chuan
Mr Lui Seng Fatt
Dr Toh See Kiat
Mr Hor Siew Fu

Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Share options and share awards" in this statement.

Directors' interests in shares or debentures

(a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director		**Holdings in which director is deemed to have an interest**	
	At 31.12.2018	**At 1.1.2018**	**At 31.12.2018**	**At 1.1.2018**
Edition Ltd.				
(No. of ordinary shares)				
Mr Ong Boon Chuan	**–**	–	**2,156,703,100**	2,140,666,000
Immediate and ultimate holding corporation				
B&L Group Pte. Ltd.				
(No. of ordinary shares)				
Mr Ong Boon Chuan	**70**	70	**30**	30

Directors' Statement

For the Financial Year Ended 31 December 2018

Directors' interests in shares or debentures

(b) According to the register of directors' shareholdings, director holding office at the end of the financial year had interests in options ("Option") to subscribe for ordinary shares of the Company granted pursuant to the Edition Placement Share Option (the "Placement Share Option"), Edition Employee Share Option Scheme (the "Scheme") and Edition Performance Share Plan (the "Share Plan") as set out below and under "Share options and share awards" on pages 46 to 47 of this statement.

	No. of unissued ordinary shares under Option	
	At 31.12.2018	**At 1.1.2018**
Mr Ong Boon Chuan		
2014 Adjustment Call Options	**–**	325,701,415
Share Options	**27,221,417**	27,221,417
Share Awards	**6,805,354**	6,805,354

(c) By virtue of Section 7 of the Singapore Companies Act, Chapter 50 (the "Act"), Mr Ong Boon Chuan is deemed to have interest in all the subsidiary corporations of the Company.

(d) The directors' interests in the ordinary shares of the Company as at 21 January 2019 were the same as those as at 31 December 2018.

2014 Adjustment Call Options

Grant of the Call Option to subscribe for up to 210,000,000 ordinary shares (the "2014 Call Options") of the Company was approved by members of the Company at an Extraordinary General Meeting on 16 July 2014.

Under the 2014 Call Options, options to subscribe for the ordinary shares of the Company have been granted to the shareholders at an exercise price of $0.03 per ordinary share. The options are exercisable at any time during the period commencing from 1st anniversary of the date of the 2014 Call Options agreement and ending between the 2nd to 4th anniversary of the date of the 2014 Call Options agreement. As a result of the allotment and issuance of 2,138,515,740 shares (the "Rights Issue") in 2015, pursuant to the adjustment of the Separate Placement and Call Option Agreement, the Call Option Shares have been adjusted to 350,755,370 new ordinary shares at an adjusted exercise price of $0.01796 for each share (the "Adjustment Call Option Shares"). Details of the options granted to an executive director of the Company are as follows:

	No. of unissued ordinary shares of the Company under Placement Share Option			
	Options granted in the financial year ended 31.12.2018	**Aggregate options granted since commencement to 31.12.2018**	**Aggregate options exercised since commencement to 31.12.2018**	**Aggregate options outstanding as at 31.12.2018**
Name of director				
Mr Ong Boon Chuan	–	325,701,415	–	–

Directors' Statement
For the Financial Year Ended 31 December 2018

2014 Adjustment Call Options

The number of unissued ordinary shares of the Company under option in relation to the 2014 Adjustment Call Options outstanding at the financial year was as follows:

	No. of unissued ordinary shares				
	Balance as at 1.1.2018	**Options lapsed**	**Balance as at 31.12.2018**	**Exercise price**	**Exercise price**
2014 Adjustment Call Option Shares	325,701,415	(325,701,415)	–	$0.01796	21.02.2015 - 20.02.2018

The call options have lapsed during the financial year due to the expiry of option.

Share options and share awards

On 21 November 2017, the shareholders of the Company approved the adoption of Edition Employee Share Option Scheme (the "Scheme") and Edition Performance Share Plan (the "Share Plan") to grant equity-based incentives to all its eligible employees. The maximum aggregate number of shares on which options may be granted under the Scheme and share awards may be granted under the Share Plan and any shares issuable under any other share-based incentive schemes or share plans, is 15% of the total issued equity shares of the Company excluding treasury shares and subsidiary holdings. In the event of a bonus issue, rights issue or a capital reconstruction, the number of options and awards and the exercise price would be adjusted in accordance with the formula stipulated in the Scheme and the Share Plan.

(a) Edition Employee Share Option Scheme

On 18 December 2017, the Company granted a director and other key management personnel options to subscribe for 35,448,335 ordinary shares of the Company at an exercise price of $0.008 per share under the Scheme.

The exercise price of the options is determined as the average of the closing prices of the Company's ordinary shares as quoted on the Singapore Exchange Securities Trading Limited ("Exchange") for five market days immediately preceding the date of the grant. The vesting of the options is conditional on the directors and key management personnel completing one year of service to the Group from the date of the grant. Once they have vested, the options are exercisable immediately and will expire after a period of ten years from date of grant. These options are exercisable from 18 December 2018 and expire on 17 December 2027. As at 31 December 2018, all options have vested and no options have been exercised.

The details of the options granted are as follows:

	No. of unissued ordinary shares of the Company under the Scheme			
	Options granted in the financial year ended 31.12.2018	**Aggregate options granted since commencement to 31.12.2018**	**Aggregate options exercised since commencement to 31.12.2018**	**Aggregate options outstanding as at 31.12.2018**
Name of director				
Mr Ong Boon Chuan	–	27,221,417	–	27,221,417

Directors' Statement
For the Financial Year Ended 31 December 2018

Share options and share awards

(b) Edition Performance Share Plan

On 18 December 2017, the Company granted a director and other key management personnel 8,862,084 awards, comprising of 8,862,084 shares under the Edition Performance Share Plan. The actual number of shares to be released could be zero or a maximum of 8,862,084, free of charge, depending on the achievement of pre-determined performance targets. No shares were vested and no new shares were awarded pursuant to the Edition Performance Share Plan during the financial year ended 31 December 2018.

The details of the shares granted are as follows:

	No. of unissued ordinary shares of the Company under the Share Plan			
	Shares granted in the financial year ended 31.12.2018	Aggregate shares granted since commencement to 31.12.2018	Aggregate shares awarded since commencement to 31.12.2018	Aggregate shares outstanding as at 31.12.2018
Name of director				
Mr Ong Boon Chuan	–	6,805,354	–	6,805,354

There were no options granted during the financial year to subscribe for unissued shares of the Company or its subsidiary corporations.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations.

Audit committee

The members of the Audit Committee at the end of the financial year were as follows:

Mr Hor Siew Fu (Chairman)
Mr Lui Seng Fatt (Member and Lead Independent Director)
Dr Toh See Kiat (Member)

All members of the Audit Committee were non-executive and independent directors.

The Audit Committee has written terms of reference that are approved by the Board and clearly set out its responsibilities. The Audit Committee carries out its functions in accordance with Section 201B(5) of the Singapore Companies Act and the Code of Corporate Governance (the "Code"). The key terms of reference of the Audit Committee are as follows:

- To review the annual consolidated financial statements and the independent auditor's report on those financial statements, and discuss any significant adjustments, major risk areas, changes in accounting policies, compliance with relevant financial reporting standards, concerns and issues arising from their audits including any matters which the auditor may wish to discuss in the absence of the Management, where necessary, before submission to the Board for approval;

- To review the cooperation given by the Management to the independent auditor;

Directors' Statement

For the Financial Year Ended 31 December 2018

Audit committee

- To ensure that the internal audit function is adequately resourced and review the adequacy and effectiveness of the internal audit function at least annually;

- To review the cost effectiveness of the independent audit, and where the independent auditor provides non-audit services to the Company, to review the nature, extent and costs of such services and the independence and objectivity of the independent auditor;

- To review the periodic consolidated financial statements of the Group before submission to the Board for approval for release of the results announcement to the Exchange;

- To recommend to the Board the appointment, re-appointment or removal of the independent auditor and approve the remuneration and terms of engagement of the independent auditor; and

- To review all interested person transactions to ensure that each has been conducted on an arm's length basis.

The Audit Committee has met with the independent auditor without the presence of the Company's management at least once a year.

The Audit Committee has recommended to the Board that the independent auditor, Nexia TS Public Accounting Corporation, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Independent auditor

The independent auditor, Nexia TS Public Accounting Corporation, has expressed its willingness to accept re-appointment.

On behalf of the directors

Ong Boon Chuan Director	**Hor Siew Fu** Director

28 March 2019

Independent Auditor's Report

To the Members of Edition Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Edition Ltd. (the "Company") and its subsidiary corporations (the "Group"), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 December 2018, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and statement changes in equity of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 56 to 104.

In our opinion, the accompanying consolidated financial statements of the Group, the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2018 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the financial year ended on that date.

Basis for Opinion

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

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 financial 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.

Independent Auditor's Report

To the Members of Edition Ltd.

Report on the Audit of the Financial Statements

Key Audit Matters

Key Audit matter	How our audit addressed the audit matter
Estimation of net realisable value for land development rights Refer to Note 16 to the financial statements. As at 31 December 2018, the Group has land development rights amounting to $1,030,000 (2017: $981,000), representing 21% (2017: 24%) and 4% (2017: 4%) of the total non-current assets and net assets of the Group, respectively. Land development rights are stated at the lower of cost and net realisable value. The Group engaged an independent professional valuer, Nasir, Sabaruddin & Associates Sdn Bhd ("valuer"), to assess the net realisable value of land development rights. We focused on this area because the determination of the net realisable value for land development rights involves significant judgement in determining the appropriate valuation methodology to be used and in estimating the underlying assumption to be applied.	We have assessed the competency, capability and objectivity of the valuer. We also read the terms of engagement of the valuer with the Group to determine whether there were any matters that might have affected their objectivity or limited the scope of their work. We considered the valuation methodology used with that applied by the valuer for similar assets and compared the valuer's underlying assumptions used. The valuer is a member of generally-recognised professional bodies for valuers and have considered their own independence in carrying out their work.

Independent Auditor's Report

To the Members of Edition Ltd.

Report on the Audit of the Financial Statements

Key Audit Matters

Key Audit matter	How our audit addressed the audit matter
Impairment of property, plant and equipment Refer to Note 13 to the financial statements. As at 31 December 2018, the carrying amount of Group's property, plant and equipment derived from the agricultural and related product segment was $2,709,000 (2017: $2,888,000), representing 71% (2017: 96%) of the Group's property, plant and equipment. For the financial year ended 31 December 2018, the agricultural and related product segment recorded a loss before tax of $2,269,000 (2017: $1,172,000). Management had assessed whether there is any objective evidence or indication that the said assets may be impaired. There is increased risk of impairment as the development stage of the agricultural and related product segment has taken longer than initially projected. For the purpose of impairment assessment of the property, plant and equipment, the recoverable amount (i.e the higher of fair value less cost to sell and value-in-use) is determined for the cash-generating unit ("CGU") to which the asset belongs. We focused on this area because the cash flow projections used to measure value-in-use is based on the management's significant assumptions and the best estimates of economic conditions that will exist over the remaining useful life of the asset. No impairment was recognised as the recoverable amount of the CGU is more than the carrying value.	We evaluated the reasonableness of management's estimate of gross margin by taking into consideration the CGU's past performance, management's plans and expectation of market developments in Singapore, as well as our understanding of the industry trends for agriculture. We involved our internal valuation specialists to assist in the assessment of the appropriateness of the methodology used to compute the recoverable amounts and the discount rate applied by management. We evaluated management's sensitivity analysis on the recoverable amounts of the CGU. The sensitivity analysis involved assessing the impact to the recoverable amounts of the CGU when reasonable possible changes to the estimated gross margin, the weighted average growth rate and discount rate are made.

Independent Auditor's Report

To the Members of Edition Ltd.

Report on the Audit of the Financial Statements

Key Audit Matters

Key Audit matter	How our audit addressed the audit matter
Recoverability of other receivables Refer to Note 11 to the financial statements. As at 31 December 2018, the Group has a significant and long outstanding receivable from non-related company amounting to $1,500,000 representing 42% of total trade and other receivables. This relates to a refundable deposit placed for a potential investment in a non-related company and was included in deposits. This amount is guaranteed by a shareholder and director of the non-related company. In addition, the Group has another significant outstanding loan receivable (the "loan") from a non-related company amounting to $1,741,000, representing 48% of the total trade and other receivables as at 31 December 2018. This loan represents the amount extended as part of the proposed acquisition by the Group of the 51% share capital of the non-related company. On 11 December 2018, the proposed acquisition had been terminated. In the event of debtor's default, this amount is secured by the Group's right to settlement for new fully paid-up ordinary shares representing 50% of the total enlarged issued share capital of the non-related company. The management has evaluated and concluded that there is no recoverability issue for the above balances and hence, no impairment was recognised as at 31 December 2018. We focused on this area because the assessment of recoverability of the significant outstanding receivables involves significant judgement of the debtors' ability to pay and the credit worthiness of the guarantor.	We assessed the recoverability of the outstanding receivables with reference to financial capability and net worth of the debtors and the guarantor, on-going business relationship and the repayment plans agreed with the Group. In addition, we reviewed the sufficiency of the disclosures in relation to the significant and long outstanding receivables.

Independent Auditor's Report

To the Members of Edition Ltd.

Report on the Audit of the Financial Statements

Other Information

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

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

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

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities 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.

Independent Auditor's Report

To the Members of Edition Ltd.

Report on the Audit of the Financial Statements

Auditor's Responsibilities for the Audit of the Financial Statements

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

- 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.

- 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.

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

- 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.

- 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.

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

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

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

Independent Auditor's Report

To the Members of Edition Ltd.

Report on the Audit of the Financial Statements

Auditor's Responsibilities for the Audit of the Financial Statements

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 director on the audit resulting in this independent auditor's report is Ross Yu Limjoco.

Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Singapore

28 March 2019

Consolidated Statement of Comprehensive Income

For the Financial Year Ended 31 December 2018

	Note	The Group 2018 $'000	The Group 2017 $'000
Revenue	4	**46**	540
Other gains	5	**295**	256
Expenses:			
- Employee compensation	6	**(2,139)**	(1,776)
- Changes in inventories		**8**	(1)
- Purchases of inventories		**(223)**	(314)
- Rental expense on operating lease		**(162)**	(185)
- Amortisation and depreciation		**(390)**	(242)
- Professional fees		**(262)**	(243)
- Finance costs		**(1)**	–
- Other expenses		**(393)**	(265)
Total expenses		**(3,562)**	(3,026)
Loss before income tax	7	**(3,221)**	(2,230)
Income tax expense	8	**–**	–
Net loss for the financial year		**(3,221)**	(2,230)
Other comprehensive income/(loss):			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences on translation of financial statements of foreign subsidiary corporations		**11**	(30)
Total comprehensive loss for the financial year		**(3,210)**	(2,260)
Net loss attributable to:			
Equity holders of the Company		**(2,766)**	(1,656)
Non-controlling interests		**(455)**	(574)
		(3,221)	(2,230)
Total comprehensive loss attributable to:			
Equity holders of the Company		**(2,755)**	(1,686)
Non-controlling interests		**(455)**	(574)
		(3,210)	(2,260)
Loss per share attributable to equity holders of the Company (cents per share)			
Basic and diluted loss per share	9	**(0.11)**	(0.07)

The accompanying notes form an integral part of these financial statements.

Balance Sheets

As at 31 December 2018

		The Group		
			31 December	1 January
		2018	2017	2017
	Note	**$'000**	$'000	$'000
ASSETS				
Current assets				
Cash and cash equivalents	10	**15,953**	21,395	26,114
Trade and other receivables	11	**3,591**	1,882	374
Inventories	12	**15**	7	8
		19,559	23,284	26,496
Non-current assets				
Property, plant and equipment	13	**3,789**	2,994	2,054
Intangible assets	14	**121**	116	118
Land development rights	16	**1,030**	981	932
		4,940	4,091	3,104
Total assets		**24,499**	27,375	29,600
LIABILITIES				
Current liabilities				
Trade and other payables	17	**567**	651	667
Finance lease liabilities	18	**21**	–	–
		588	651	667
Non-current liabilities				
Finance lease liabilities	18	**37**	–	–
Provision	19	**41**	41	–
		78	41	–
Total liabilities		**666**	692	667
NET ASSETS		**23,833**	26,683	28,933
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	20	**43,079**	43,079	43,079
Treasury shares	20	**(1,236)**	(1,236)	(1,236)
Other reserves	21	**264**	(6)	14
Accumulated losses		**(18,153)**	(14,048)	(12,392)
		23,954	27,789	29,465
Non-controlling interests		**(121)**	(1,106)	(532)
Total equity		**23,833**	26,683	28,933

The accompanying notes form an integral part of these financial statements.

Balance Sheets

As at 31 December 2018

		The Company		
			31 December	1 January
		2018	2017	2017
	Note	**$'000**	$'000	$'000
ASSETS				
Current assets				
Cash and cash equivalents	10	**15,460**	20,992	25,485
Trade and other receivables	11	**13,341**	10,358	6,322
		28,801	31,350	31,807
Non-current assets				
Property, plant and equipment	13	***–**	3	6
Intangible assets	14	**1**	2	4
Investments in subsidiary corporations	15	**2,058**	1,051	1,051
		2,059	1,056	1,061
Total assets		**30,860**	32,406	32,868
LIABILITIES				
Current liability				
Trade and other payables	17	**186**	152	321
Total liability		**186**	152	321
NET ASSETS		**30,674**	32,254	32,547
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	20	**43,079**	43,079	43,079
Treasury shares	20	**(1,236)**	(1,236)	(1,236)
Other reserves	21	**269**	10	–
Accumulated losses		**(11,438)**	(9,599)	(9,296)
Total equity		**30,674**	32,254	32,547

*Amount less than $1,000

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For the Financial Year Ended 31 December 2018

	Note	Share capital	Treasury shares	Other reserve	Currency translation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		← Attributable to equity holders of the Company					→		
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
The Group									
2018									
Beginning of financial year		43,079	(1,236)	10	(16)	(14,048)	27,789	(1,106)	26,683
Total comprehensive income/(loss) for the financial year		–	–	–	11	(2,766)	(2,755)	(455)	(3,210)
Share-based payment	21	–	–	259	–	–	259	–	259
Deemed acquisition of non-controlling interests without a change in control	15	–	–	–	–	(1,339)	(1,339)	1,440	101
End of financial year		**43,079**	**(1,236)**	**269**	**(5)**	**(18,153)**	**23,954**	**(121)**	**23,833**
2017									
Beginning of financial year		43,079	(1,236)	–	14	(12,392)	29,465	(532)	28,933
Total comprehensive loss for the financial year		–	–	–	(30)	(1,656)	(1,686)	(574)	(2,260)
Share-based payment	21	–	–	10	–	–	10	–	10
End of financial year		**43,079**	**(1,236)**	**10**	**(16)**	**(14,048)**	**27,789**	**(1,106)**	**26,683**

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Equity

For the Financial Year Ended 31 December 2018

	Note	Share capital	Treasury shares	Other reserve	Accumulated losses	Total equity
		$'000	**$'000**	**$'000**	**$'000**	**$'000**
The Company						
2018						
Beginning of financial year		43,079	(1,236)	10	(9,599)	32,254
Total comprehensive loss for the financial year		–	–	–	(1,839)	(1,839)
Share-based payment	21	–	–	259	–	259
End of financial year		**43,079**	**(1,236)**	**269**	**(11,438)**	**30,674**
2017						
Beginning of financial year		43,079	(1,236)	–	(9,296)	32,547
Total comprehensive loss for the financial year		–	–	–	(303)	(303)
Share-based payment	21	–	–	10	–	10
End of financial year		**43,079**	**(1,236)**	**10**	**(9,599)**	**32,254**

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the Financial Year Ended 31 December 2018

		The Group	
		2018	2017
	Note	**$'000**	$'000
Cash flows from operating activities			
Net loss before income tax		**(3,221)**	(2,230)
Adjustments for:			
- Amortisation and depreciation		**390**	242
- Currency translation differences		**29**	(56)
- Interest income		**(268)**	(232)
- Share-based payment expenses	21	**259**	10
Operating cash flows before working capital changes		**(2,811)**	(2,266)
Changes in working capital			
- Trade and other receivables		**(1,709)**	(1,508)
- Inventories		**(8)**	1
- Land development rights		**(53)**	(27)
- Trade and other payables		**17**	(72)
Cash used in operations		**(4,564)**	(3,872)
Interest received		**268**	232
Net cash used in operating activities		**(4,296)**	(3,640)
Cash flows from investing activities			
Additions to property, plant and equipment	A	**(1,134)**	(1,083)
Additions to intangible assets		**(8)**	–
Net cash used in investing activities		**(1,142)**	(1,083)
Cash flows from financing activity			
Repayment of finance lease liabilities representing cash flows used in financing activity		**(4)**	–
Net decrease in cash and cash equivalents		**(5,442)**	(4,723)
Cash and cash equivalents at beginning of financial year		**21,395**	26,114
Effects of currency translation on cash and cash equivalents		**–**	4
Cash and cash equivalents at end of financial year	10	**15,953**	21,395

(A) During the financial year, the Group acquired property, plant and equipment with an aggregate cost of $1,196,000 of which $62,000 was financed by means of finance lease. Cash payment of $1,134,000 was made to purchase property, plant and equipment.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

Edition Ltd. (the "Company") is listed on the Catalist Board of Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office is 80 Robinson Road, #02-00, Singapore 068898. The principal place of business is 78 Gilstead Road, Singapore 309116.

The principal activities of the Company are that of investment holding and provision of management services. The principal activities of the subsidiary corporations are described in Note 15 to the financial statements.

The Company's immediate and ultimate holding corporation is B&L Group Pte. Ltd., incorporated in Singapore.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.2 Adoption of SFRS(I)

As required by the listing requirements of Singapore Exchange, the Group has adopted SFRS(I) on 1 January 2018. These financial statements for the financial year ended 31 December 2018 are the first set of financial statements the Group prepared in accordance with SFRS(I). The Group's previously issued financial statements for periods up to and including the financial year ended 31 December 2017 were prepared in accordance with Singapore Financial Reporting Standards ("SFRS").

In adopting SFRS(I) on 1 January 2018, the Group is required to apply all of the specific transition requirements in SFRS(I) 1 First-time Adoption of SFRS(I).

Under SFRS(I) 1, these financial statements are required to be prepared using accounting policies that comply with SFRS(I) effective as at 31 December 2018. The same accounting policies are applied throughout all periods presented in these financial statements, subject to the mandatory exceptions and optional exemptions under SFRS(I) 1.

The Group's opening balance sheet has been prepared as at 1 January 2017, which is the Group's date of transition to SFRS(I) ("date of transition").

The Management has assessed the optional exemptions and decided not to elect the relevant optional exemptions, as such there will be no significant adjustments to the Group's financial statements prepared under SFRS. There are no adjustments arising from the adoption of SFRS(I). Accordingly, notes related to the financial statements as at date of adoption of SFRS(I) are presented for those items.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

2. Significant accounting policies

2.2 Adoption of SFRS(I)

In addition to the adoption of the new framework, the Group also concurrently applied new SFRS(I) 15 Revenue from Contracts with Customers and SFRS(I) 9 Financial Instruments, interpretations of SFRS(I)s and requirements of SFRS(I)s which are mandatorily effective from the same date. The application of the above standards and interpretations do not have a material effect on the financial statements.

2.3 Revenue recognition

(a) *Goods and services sold*

Revenue from sale of goods and services in the ordinary course of business is recognised when the Group satisfies a performance obligation (PO) by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services. The individual standalone selling price of a good or service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods and/or services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those performance obligations.

Transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods or services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes a significant financing component. Consideration payable to a customer is deducted from the transaction price if the Group does not receive a separate identifiable benefit from the customer.

When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

(b) *Interest income*

Interest income is recognised using the effective interest method.

(c) *Dividend income*

Dividend income is recognised when the right to receive payment is established, it is probable that that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

2. Significant accounting policies

2.4 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions. Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income. Government grants relating to assets are deducted against the carrying amount of the assets.

2.5 Group accounting

(a) Subsidiary corporations

(i) Consolidation

Subsidiary corporations are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiary corporations are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, intercompany transactions and balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiary corporations have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary corporation's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary corporation, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary corporation or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary corporation measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

2. Significant accounting policies

2.5 Group accounting

(a) Subsidiary corporations

(ii) Acquisitions

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill. Please refer to the paragraph "Intangible assets – Goodwill" for the subsequent accounting policy on goodwill.

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary corporation results in a loss of control over the subsidiary corporation, the assets and liabilities of the subsidiary corporation including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiary corporations" for the accounting policy on investments in subsidiary corporations in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interests in a subsidiary corporation that do not result in a loss of control over the subsidiary corporation are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

2.6 Property, plant and equipment

(a) Measurement

(i) Land and buildings

Land and buildings are initially recognised at cost. Leasehold land is subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

Property that is constructed or developed for the use as office premises is classified as building in property, plant and equipment.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

2. Significant accounting policies

2.6 Property, plant and equipment

(a) *Measurement*

(ii) *Other property, plant and equipment*

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(iii) *Components of costs*

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) *Depreciation*

Depreciation is recognised as an expense in profit or loss on a straight-line basis over their estimated useful lives as follows:

	Useful lives
Leasehold land	20 years
Renovation	4 years
Office equipment, furniture and fixtures	3-4 years
Plant and machineries	10 years
Vehicles	5 years

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) *Subsequent expenditure*

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) *Disposal*

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within “other gains and losses”.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

2. Significant accounting policies

2.7 Intangible assets

(a) *Goodwill on acquisitions*

Goodwill on acquisitions of subsidiary corporations and businesses, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable assets acquired. Goodwill on subsidiary corporations is recognised separately as intangible assets and carried at cost less accumulated losses.

Gains and losses on the disposal of subsidiary corporations include the carrying amount of goodwill relating to the entity sold.

(b) *Acquired computer software licences*

Acquired computer software licences are initially capitalised at cost which includes the purchase prices (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Direct expenditures including employee costs, which enhance or extend the performance of computer software beyond its specifications and which can be reliably measured, are added to the original cost of the software. Costs associated with maintaining the computer software are expensed off when incurred.

Computer software licences are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of 3 years.

The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

2.8 Investments in subsidiary corporations

Investments in subsidiary corporations are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.9 Land development rights

Land development rights refer to rights to develop plots of land acquired in the ordinary course of business for future development.

Land development rights are carried at the lower of cost and net realisable value. Cost includes acquisition costs, capitalised borrowing costs and other cost directly attributable to the acquisition. Net realisable value is the estimated selling price in the ordinary course of business, based on market prices at the balance sheet date and discounted for the time value of money if material, less estimated costs necessary to make the sale.

Land development rights are presented as non-current assets except for those to be sold or developed within 12 months after the balance sheet date which are presented as current assets.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

2. Significant accounting policies

2.10 Impairment of non-financial assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) Other non-financial assets

Intangible assets, property, plant and equipment and investments in subsidiary corporations are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

2. Significant accounting policies

2.11 Financial assets

The accounting for financial assets before 1 January 2018 is as follows:

(i) Classification

The Group classifies its financial assets in the following category: loans and receivables. The classification depends on the nature of the assets and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as "trade and other receivables" (Note 11) and "cash and cash equivalents" (Note 10) on the balance sheet.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

(iii) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs.

(iv) Subsequent measurement

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

(v) Impairment

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

2. Significant accounting policies

2.11 Financial assets

The accounting for financial assets before 1 January 2018 is as follows:

(v) Impairment

Loans and receivables

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

The accounting for financial assets from 1 January 2018 is as follows:

(vi) Classification and measurement

The Group classifies its financial assets in the following measurement categories:

– Amortised cost;
– Fair value through other comprehensive income (FVOCI); and
– Fair value through profit or loss (FVPL).

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

<u>At initial recognition</u>

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

2. Significant accounting policies

2.11 Financial assets

The accounting for financial assets from 1 January 2018 is as follows:

(vi) Classification and measurement

<u>At subsequent measurement</u>

(a) Debt instruments

Debt instruments mainly comprise cash and cash equivalents, trade and other receivables, listed and unlisted debt securities.

There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

- FVOCI: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other gains and losses". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".

- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other gains and losses".

(b) Equity instruments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gains and losses". Dividends from equity investments are recognised in profit or loss as "dividend income".

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

2. Significant accounting policies

2.11 Financial assets

The accounting for financial assets from 1 January 2018 is as follows:

(vii) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 23(b) details how the Group determines whether there has been a significant increase in credit risk.

For trade and other receivables, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(viii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

2.12 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.13 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

2. Significant accounting policies

2.14 Leases

When the Group is the lessee

The Group leases motor vehicles under finance leases and land and office equipment under operating leases from non-related parties.

(a) Lessee - Finance leases

Leases where the Group assumes substantially all risks and rewards incidental to ownership of the leased assets are classified as finance leases.

The leased assets and the corresponding lease liabilities (net of finance charges) under finance leases are recognised on the balance sheet as plant and machinery and finance lease liabilities respectively, at the inception of the leases based on the lower of the fair value of the leased assets and the present value of the minimum lease payments.

Each lease payment is apportioned between the finance expense and the reduction of the outstanding lease liability. The finance expense is recognised in profit or loss on a basis that reflects a constant periodic rate of interest on the finance lease liability.

(b) Lessee - Operating leases

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rents are recognised as income in profit or loss when incurred.

2.15 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. The cost of trading goods include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

2.16 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiary corporations, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

2. Significant accounting policies

2.16 Income taxes

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax assets is recognised for unused tax credits to the extent that is probable that future taxable profits will be available against which the unused tax credits can be utilised.

2.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions for asset dismantlement, removal or restoration are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amounts have been reliably estimated.

The Group recognises the estimated costs of dismantlement, removal or restoration of items of property, plant and equipment arising from the acquisition or use of assets. This provision is estimated based on the best estimate of the expenditure required to settle the obligation, taking into consideration time value.

Changes in the estimated timing or amount of the expenditure or discount rate for asset dismantlement, removal and restoration costs are adjusted against the cost of the related property, plant and equipment, unless the decrease in the liability exceeds the carrying amount of the asset or the asset has reached the end of its useful life. In such cases, the excess of the decrease over the carrying amount of the asset or the changes in the liability is recognised in profit or loss immediately.

2.18 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions, which are subject to an insignificant risk of change in value.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

2. Significant accounting policies

2.19 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(i) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(ii) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on grant date. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date. At each balance sheet date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to share capital account, when new ordinary shares are issued, or to the “treasury shares” account, when treasury shares are re-issued to the employees.

2.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the board of directors whose members are responsible for allocating resources and assessing performance of the operating segments.

2.21 Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the Company’s ordinary shares (“treasury shares”), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company’s equity holders, until they are cancelled, sold or re-issued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to the employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

2. Significant accounting policies

2.22 Currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore dollar ("$") which is functional currency of the Company.

(b) *Transactions and balances*

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation difference is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within "finance expense". All other foreign exchange gains and losses impacting profit or loss are presented in profit or loss within "other gains and losses".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) *Translation of Group entities' financial statements*

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(i) Estimated impairment for goodwill

Goodwill is tested for impairment annually and whenever there is an indication that the goodwill may be impaired. The recoverable amounts of goodwill and where applicable, CGU have been determined based on value-in-use calculations. If the carrying amounts exceeds the recoverable amounts, an impairment loss is recognised to profit or loss for the differences.

The recoverable amount of goodwill has been determined based on value-in-use calculations. Cash flow projections used in the value-in-use calculations were based on financial budgets prepared by management covering a 5-year period. These calculations require the use of estimates for the projected gross margin, growth rate and discount rate which have been disclosed in Note 14 to the financial statements.

If the management's estimated discount rate applied to the discounted cash flows for this CGU had been raised by 1%, the value-in-use calculation at 31 December 2018 would have decreased by $2,883,000 and have no impact to the carrying amount of goodwill amounting to $114,000.

(ii) Estimation of net realisable value for land development rights

Land development rights are stated at the lower of cost and net realisable value. Net realisable value of land development rights is assessed by reference to market prices of comparable land in close proximity at balance sheet date, after adjustments to differences in key attributes such as its location, size facilities, time element and others. The carrying amount of land development rights is disclosed in Note 16 to the financial statements.

If the net realisable value of land development rights were lower by 10%, there would be no impact to the carrying amount for land development rights.

(iii) Impairment of property, plant and equipment

In performing the impairment assessment of the carrying amount of property, plant and equipment, the recoverable amounts are determined using value-in-use calculation. Significant judgements are used to estimate the gross margin, weighted average growth rates and the pre-tax discount rates applied in computing the recoverable amounts of the CGU to which the asset belongs. In making these estimates, management has relied on past performance, its expectation of market developments in Singapore and the industry trend for agriculture.

The carrying amount of the Group's property, plant and equipment as at 31 December 2018 was $3,789,000 (2017: $2,994,000).

(iv) Impairment of other receivables

Included in the Group's trade and other receivables are significant and long outstanding receivable from non-related company amounting to $1,500,000 representing 42% of total trade and other receivables and significant outstanding loan receivable ("loan") from a non-related company amounting to $1,741,000 representing 48% of the total trade and other receivables as at 31 December 2018. To determine whether a credit loss provision should be recognised in the profit or loss, the Group makes judgements on concluding on the credit worthiness and classification of the receivables through various factors which may include, amongst others, prevailing industry trends relevant to the receivables, macroeconomic factors, financial health and forecasts, and collateral valuation and validity.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

3. Critical accounting estimates, assumptions and judgements

(iv) Impairment of other receivables

The management has evaluated and concluded that there are no recoverability issue for the above balances and hence, no impairment was recognised as at 31 December 2018.

The carrying amount of trade and other receivables are disclosed in Note 11 to the financial statements.

(v) Impairment of investments in subsidiary corporations

Determining whether the investments in subsidiary corporations are impaired requires an estimation of the recoverable amount of these investments. During the financial year, the management has evaluated the recoverability of the investments in subsidiary corporations and has recognised an impairment loss of $1,000,000 (2017: $Nil).

The carrying amount of the investments in subsidiary corporations are disclosed in Note 15 to the financial statements.

4. Revenue

	The Group	
	2018	2017
	$'000	$'000
Sales of goods	**46**	477
Rendering of services	**–**	63
	46	540

5. Other gains

	The Group	
	2018	2017
	$'000	$'000
Interest income on bank deposits	**200**	232
Interest income on loan to non-related company	**68**	–
Others	**27**	24
	295	256

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

6. Employee compensation

	The Group	
	2018	2017
	$'000	$'000
Salaries, wages and bonuses	**1,768**	1,632
Employer's contribution to defined contribution plans	**112**	134
Share-based payment expense (Note 21(b)(i))	**259**	10
	2,139	1,776

Key management remuneration is disclosed in Note 22(b).

7. Loss before income tax

The following items have been included in arriving at loss before income tax:

	The Group	
	2018	2017
	$'000	$'000
Fees on audit services paid/payable to		
- Auditor of the Company	**67**	67
- Other auditor	**3**	3
Amortisation of intangible assets	**3**	2
Depreciation of property, plant and equipment	**387**	240
Directors' fee	**114**	114
Management fee	**94**	94
Rental expenses – operating leases	**162**	185

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

8. Income taxes

(a) Income tax expense

There is no income tax expense as the Group did not derive any taxable profit for the financial year.

The income tax expense on Group's loss before income tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	The Group	
	2018	2017
	$'000	$'000
Loss before income tax	**(3,221)**	(2,230)
Tax calculated at tax rate of 17% (2017: 17%)	**(548)**	(379)
Effect of:		
- different tax rate in foreign jurisdictions	**(4)**	(19)
- expenses not deductible for tax purposes	**362**	171
- income not subject to tax	**(69)**	(18)
- deferred tax assets not recognised	**291**	245
- utilisation of deferred tax assets not recognised in prior years	**(32)**	–
	–	–

(b) The tax charge relating to each component of other comprehensive income/(loss) is as follows:

	Before tax	Tax charge	After tax
	$'000	$'000	$'000
The Group			
2018			
Currency translation differences arising from consolidation	**11**	**–**	**11**
Other comprehensive income	**11**	**–**	**11**
2017			
Currency translation differences arising from consolidation	(30)	–	(30)
Other comprehensive loss	(30)	–	(30)

(c) As at 31 December 2018, certain subsidiary corporations of the Group have potential tax benefits of approximately $5,238,000 (2017: $3,718,000) arising from unutilised tax losses which are available for set-off against future taxable profits. These tax losses have not been recognised due to uncertainty of the sufficiency of future taxable profits to be generated for these subsidiary corporations in the foreseeable future.

The use of these potential tax benefits is subject to the agreement of the tax authorities and compliance with certain provision of the tax legislation of the respective countries in which the subsidiary corporations operate. The tax benefits have no expiry date.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

9. Loss per share

Basic loss per share is calculated by dividing the net loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding less outstanding treasury shares during the financial year.

	The Group	
	2018	2017
Net loss attributable to equity holders of the Company ($'000)	**(2,766)**	(1,656)
Weighted average number of ordinary shares outstanding for basic loss per share ('000)	**2,510,924**	2,510,924
Basic and diluted loss per share (cents)	**(0.11)**	(0.07)

There are no dilutive potential ordinary shares during the financial years ended 31 December 2018 and 2017.

10. Cash and cash equivalents

	The Group			The Company		
	31 December		1 January	31 December		1 January
	2018	2017	2017	**2018**	2017	2017
	$'000	$'000	$'000	**$'000**	$'000	$'000
Cash at bank and on hand	**1,044**	13,108	17,931	**551**	12,705	17,302
Short-term bank deposits	**14,909**	8,287	8,183	**14,909**	8,287	8,183
	15,953	21,395	26,114	**15,460**	20,992	25,485

11. Trade and other receivables

	The Group			The Company		
	31 December		1 January	31 December		1 January
	2018	2017	2017	**2018**	2017	2017
	$'000	$'000	$'000	**$'000**	$'000	$'000
Trade receivables						
- Non-related parties	**74**	47	54	**–**	–	–
- Related party	**–**	158	–	**–**	–	–
Other receivables						
- Subsidiary corporations	**–**	–	–	**10,114**	8,804	6,322
- Non-related companies *(Note A)*	**1,733**	14	30	**1,727**	–	–
Prepayments	**3**	32	–	**–**	9	–
Deposits *(Note B)*	**1,781**	1,631	290	**1,500**	1,545	–
	3,591	1,882	374	**13,341**	10,358	6,322

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

11. Trade and other receivables

Included in the amount due from subsidiary corporations is an amount of approximately $6,268,000 (31 December 2017: $8,804,000; 1 January 2017: $6,322,000) which is unsecured, bearing interest at 10% (31 December 2017: 12%; 1 January 2017: 6-12%) per annum and is repayable on demand. The balance of approximately $3,846,000 (31 December 2017: $Nil; 1 January 2017: $Nil) of the amount due from subsidiary corporations is unsecured, interest free and is repayable on demand.

Note A

In June 2018, the Company entered into a Binding Memorandum of Understanding ("MOU") with a non-related company to acquire 51% equity interest in a non-related company. As part of the proposed acquisition, the Company extended a bridging loan of $1,000,000 to the non-related company. On 10 August 2018, the Company entered into a supplemental loan agreement to extend an additional loan of $687,500 resulting in aggregate sum of the loan of S$1,687,500.

In December 2018, the MOU had been terminated. As at 31 December 2018, the Company's outstanding loan receivable (including interest) amounted to approximately $1,741,000 (the "loan"). The loan has a tenure of 6 months bearing interest at 8% per annum and repayable in full by 11 June 2019.

In the event the non-related company fails to repay the loan and interest, the Company has the right to settlement for new fully paid-up ordinary shares representing 50% of the total enlarged issued share capital of the non-related company. Management is of the view that no impairment is required as the amount is not yet due as at 31 December 2018.

Note B

Deposits includes an amount of a refundable deposit placed for a potential investment in a non-related company amounted to $1,500,000 (31 December 2017: $1,500,000; 1 January 2017: $Nil). The said deposit amount is guaranteed by a major shareholder and a director of the non-related company. Management is of the view that no impairment is required as the amount is guaranteed.

12. Inventories

	The Group		
		31 December	1 January
	2018	2017	2017
	$'000	$'000	$'000
Trading goods	**15**	7	8

The cost of inventories recognised as an expense and included in consolidated statement of comprehensive income amounted to $215,000 (31 December 2017: $315,000).

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

13. Property, plant and equipment

	Leasehold land	Renovation	Office equipment furniture and fixtures	Plant and machinery	Motor vehicle	Construction in progress	Total
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
The Group							
2018							
Cost							
Beginning of financial year	–	73	66	3,094	–	56	3,289
Additions	886	–	4	83	69	154	1,196
Transfer	–	–	–	56	–	(56)	–
End of financial year	886	73	70	3,233	69	154	4,485
Accumulated depreciation							
Beginning of financial year	–	47	42	206	–	–	295
Currency translation difference	–	7	7	–	–	–	14
Depreciation charge	30	19	17	318	3	–	387
End of financial year	30	73	66	524	3	–	696
Net carrying value							
End of financial year	**856**	**–**	**4**	**2,709**	**66**	**154**	**3,789**

The motor vehicle was acquired under finance lease agreements with the net carrying amount of $66,000 (31 December 2017: $Nil; 1 January 2017: $Nil).

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

13. Property, plant and equipment

	Renovation	Office equipment furniture and fixtures	Plant and machinery	Construction in progress	Total
	$'000	$'000	$'000	$'000	$'000
The Group					
2017					
Cost					
Beginning of financial year	72	65	–	1,972	2,109
Currency translation differences	1	1	–	–	2
Additions	–	–	–	1,178	1,178
Transfer	–	–	3,094	(3,094)	–
End of financial year	73	66	3,094	56	3,289
Accumulated depreciation					
Beginning of financial year	30	25	–	–	55
Depreciation charge	17	17	206	–	240
End of financial year	47	42	206	–	295
Net carrying value					
Beginning of financial year	**42**	**40**	**–**	**1,972**	**2,054**
End of financial year	**26**	**24**	**2,888**	**56**	**2,994**

	Office equipment, furniture and fixtures	
	2018	2017
	$'000	$'000
The Company		
Cost		
Beginning and end of financial year	**12**	12
Accumulated depreciation		
Beginning of financial year	**9**	6
Depreciation charge	**3**	3
End of financial year	**12**	9
Net carrying value		
Beginning of financial year	**3**	**6**
End of financial year	**–***	**3**

*Amount less than $1,000

Notes to the Financial Statements
For the Financial Year Ended 31 December 2018

14. Intangible assets

	Goodwill $'000	Software $'000	Total $'000
The Group			
2018			
Cost			
Beginning of financial year	114	8	122
Additions	–	8	8
End of financial year	114	16	130
Accumulated amortisation			
Beginning of financial year	–	6	6
Amortisation charge	–	3	3
End of financial year	–	9	9
Net carrying value			
End of financial year	**114**	**7**	**121**
2017			
Cost			
Beginning and end of financial year	114	8	122
Accumulated amortisation			
Beginning of financial year	–	4	4
Amortisation charge	–	2	2
End of financial year	–	6	6
Net carrying value			
Beginning of financial year	**114**	**4**	**118**
End of financial year	**114**	**2**	**116**

	Software	
	2018 **$'000**	2017 $'000
The Company		
Cost		
Beginning and end of financial year	8	8
Accumulated amortisation		
Beginning of financial year	6	4
Amortisation charge	1	2
End of financial year	7	6
Net carrying value		
Beginning of financial year	**2**	**4**
End of financial year	**1**	**2**

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

14. Intangible assets

Goodwill

The goodwill arose from the acquisition of a subsidiary corporation, MEOD Pte. Ltd. ("MEOD") in financial year ended 31 December 2016 and was attributable to the commercial viability of the production of agricultural products as well as distribution network in MEOD. The acquisition also marked the first strategic entry to agricultural business, which has been identified as one of the core business focused by the Group.

Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating units ("CGUs") identified according to countries of operation and business segments.

A segment-level summary of the goodwill allocation is as follows:

	Agriculture		
		31 December	1 January
	2018	2017	2017
	$'000	$'000	$'000
Singapore	**114**	114	114

The recoverable amount of a CGU was determined based on value-in-use. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management covering a five-year period.

These assumptions were used for the analysis of the CGU within the business segment. Management determined budgeted gross margin on the basis at 40% (2017: 19%*) based on projected performance and its expectations of market developments.

A terminal growth rate of 2.7% (2017: 2%) was extrapolated on cash flows after the fifth year. The discount rate applied was 17% (2017: 16%) taking into account time value of money, individual risk of underlying assets and is comparable to market participants. No impairment charge was recognised as the carrying amount of the goodwill was lower than its recoverable amount. Management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value to materially exceed the recoverable amount. The discount rate used was pre-tax and reflected specific risks relating to the relevant segments.

The impairment test carried out as at 31 December 2018 for the above CGU indicated that the recoverable amount is higher than the carrying amount. Increase in discount rate by 16% (2017: 4%) would result in the recoverable amount of CGU being equal to its carrying amount.

* The Group had only commenced its agricultural business in 2017.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

15. Investments in subsidiary corporations

	The Company	
	2018	2017
	$'000	$'000
Unquoted equity investments at cost		
Beginning of financial year	**1,051**	1,051
Additions	**2,007**	–
Allowance for impairment	**(1,000)**	–
End of financial year	**2,058**	1,051
Movement in allowance for impairment loss on investments in subsidiary corporation is as follows:		
Beginning of financial year	**–**	–
Impairment charge	**1,000**	–
End of financial year	**1,000**	–

Details of the subsidiary corporations are as follows:

Name	Country of incorporation / Place of business	Principal activities	Proportion of ordinary shares directly held by the parent			Proportion of ordinary shares held by the Group			Proportion of ordinary shares held by non-controlling interest		
				31 December	1 January		31 December	1 January	31 December		1 January
			2018 %	2017 %	2017 %	**2018 %**	2017 %	2017 %	**2018 %**	2017 %	2017 %
Held by the Company											
Edition Development Pte. Ltd.[(1)]	Singapore	Investment holding and project management	**100**	100	100	**100**	100	100	**–**	–	–
MEOD Pte. Ltd. [(1)]	Singapore	Agricultural and related business	**95**	51	51	**95**	51	51	**5**	49	49
Held by Edition Development Pte. Ltd.											
Edition Land Pte. Ltd. [(5)]	Singapore	Dormant	**–**	–	–	**100**	100	100	**–**	–	–
Edition Global Pte. Ltd.[(1)]	Singapore	Investment holding	**–**	–	–	**100**	100	100	**–**	–	–
Held by Edition Global Pte. Ltd.											
Edition MY Sdn. Bhd.[(2),(4)]	Malaysia	Investment holding and project management	**–**	–	–	**100**	100	100	**–**	–	–
Edition (Shanghai) Investment Management Consulting Co., Ltd. [(3)]	The People's Republic of China	Dormant	**–**	–	–	**100**	100	100	**–**	–	–
Held by Edition MY Sdn. Bhd.											
Edition Cemerlang Sdn. Bhd.[(2),(4)]	Malaysia	Property development	**–**	–	–	**100**	100	100	**–**	–	–
Edition Tunjong Sdn. Bhd.[(2),(4)]	Malaysia	Dormant	**–**	–	–	**100**	100	100	**–**	–	–

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

15. Investments in subsidiary corporations

(1) Audited by Nexia TS Public Accounting Corporation, Singapore.
(2) For the purpose of preparing the consolidation financial statements, these financial statements have been audited by Nexia TS Public Accounting Corporation, Singapore.
(3) Not required to be audited under the laws of the country of incorporation
(4) Audited by Ramli & Co, Malaysia
(5) Applied to be struck-off during the financial year ended 31 December 2018

In accordance to Rule 716 of the Catalist Rules, the Audit Committee and Board of Directors of the Company confirmed that they are satisfied that the appointment of different auditors for its subsidiary corporations would not compromise the standard and effectiveness of the audit of the Group.

Acquisition of additional interest in a subsidiary corporation

On 4 June 2018, the Company converted in full all its loans and accrued interest amounting to $2,007,000 into new ordinary shares of MEOD Pte. Ltd. (“MEOD”). Consequently, the Company’s equity interest in MEOD was increased by 44% to 95% as at 31 December 2018. On the same date, MEOD has allotted 101,000 new ordinary shares of MEOD to the non-controlling interests (“NCI”) by capitalising certain of amount owing by MEOD to the NCI.

The effect of changes in the ownership interest in MEOD on the equity attributable to owners of the Company during the financial year is summarised as follows:

	2018
	$’000
Issuance of new shares in subsidiary corporation to NCI	101
Increase in equity attributable to NCI	(1,440)
Decrease in equity attributable to equity holders of the Company	(1,339)

Carrying value of non-controlling interests

	The Group		
		31 December	1 January
	2018	2017	2017
	$’000	$’000	$’000
MEOD	**(121)**	(1,106)	(532)

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

15. Investments in subsidiary corporations

Set out below are the summarised financial information for the subsidiary corporation that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

Summarised balance sheet of MEOD as at 31 December 2018 and 2017 and 1 January 2017

	31 December		1 January
	2018	2017	2017
	$'000	$'000	$'000
Current			
Assets	**576**	316	471
Liabilities	**(6,750)**	(5,478)	(3,530)
Total current net liabilities	**(6,174)**	(5,162)	(3,059)
Non-current			
Assets	**3,795**	2,944	1,972
Liabilities	**(41)**	(41)	–
Total non-current net assets	**3,754**	2,903	1,972
Net liabilities	**(2,420)**	(2,259)	(1,087)

Summarised income statement of MEOD for the financial year ended 31 December 2018 and 2017

	2018	2017
	$'000	$'000
Revenue	**46**	540
Loss before income tax	**(2,269)**	(1,172)
Income tax expense	**–**	–
Loss after income tax, representing total comprehensive loss	**(2,269)**	(1,172)
Total comprehensive loss allocated to non-controlling interests	**(455)**	(574)

Summarised cash flows MEOD for the financial year ended 31 December 2018 and 2017

	2018	2017
	$'000	$'000
Net cash used in operating activities	**(711)**	(672)
Net cash used in investing activities	**(1,141)**	(1,080)
Net cash generated from financing activities	**2,079**	1,654
Net increase/(decrease) in cash and cash equivalents	**227**	(98)
Cash and cash equivalents at beginning of financial year	**1**	99
Cash and cash equivalents at end of financial year	**228**	1

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

16. Land development rights

	The Group	
	2018	2017
	$'000	$'000
Beginning of financial year	**981**	932
Additions	**53**	27
Currency translation differences	**(4)**	22
End of financial year	**1,030**	981

On 27 October 2014, the Group acquired the land development rights of a piece of vacant land measuring 1.3 acres at Kota Bharu, Kelantan, Malaysia from an unrelated and independent third party.

Additions in 2018 and 2017 refer to professional fees and submission fees incurred in relation to regulatory compliances for the development.

On 9 January 2017, the Group obtained an approval from local authorities to defer the execution of its land development plans to 18 January 2018. At the date of this report, the Group is awaiting for building plan approval or any modification work required by the local authority.

17. Trade and other payables

	The Group			The Company		
	31 December		1 January	31 December		1 January
	2018	2017	2017	**2018**	2017	2017
	$'000	$'000	$'000	**$'000**	$'000	$'000
Trade payables to non-related parties	**80**	157	27	**–**	–	–
Accrued operating expenses	**232**	221	366	**186**	152	321
Other payables:						
- non-related parties	**1**	214	227	**–**	–	–
- related parties	**254**	59	22	**–**	–	–
Advance from customers	**–**	–	25	**–**	–	–
	567	651	667	**186**	152	321

The amount due to related parties is unsecured, interest-free and repayable on demand.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

18. Finance lease liabilities

	The Group					
	Minimum lease payments			Present value of minimum lease payment		
	31 December		1 January	31 December		1 January
	2018	2017	2017	**2018**	2017	2017
	$'000	$'000	$'000	**$'000**	$'000	$'000
Within one year	**23**	–	–	**21**	–	–
Within two to five years	**39**	–	–	**37**	–	–
	62	–	–	**58**	–	–
Less: Future finance charges	**(4)**	–	–	**N/A**	N/A	N/A
Present value of leases	**58**	–	–	**58**	–	–
Less: Amount due for settlement within 12 months (shown under current liabilities)				**(21)**	–	–
Amount due for settlement after 12 months (shown under non-current liabilities)				**37**	–	–

Reconciliation of movements of liabilities to cash flows arising from financing activities:

			Non-cash changes		
	1 January 2018	**Principal and interest payment**	**Acquisition**	**Non-cash interest expense**	**31 December 2018**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Finance lease liabilities	–	(5)	62	1	58

The Group enters into finance leasing arrangement for its motor vehicle. The net carrying value of motor vehicle acquired under finance lease agreements is disclosed in Note 13 to the financial statements.

The weighted average effective interest rates for the finance lease is 2.99% per annum.

The fair value of non-current financial lease liabilities approximates its carrying amounts.

Notes to the Financial Statements
For the Financial Year Ended 31 December 2018

19. Provision

Dismantlement, removal or restoration of property, plant and equipment.

The Group leases a farm land from a non-related party to build a greenhouse. A provision is recognised for the present value of costs to be incurred for the restoration of the farm land to original state after the lease term.

The movements in this provision are as follows:

	The Group	
	2018	2017
	$'000	$'000
Beginning of financial year	**41**	–
Provision made	**–**	40
Amortisation of discount	**–**	1
End of financial year	**41**	41

20. Share capital and treasury shares

The Group and the Company

	Number of ordinary shares		Amount	
	Issued share capital	**Treasury shares**	**Share capital**	**Treasury shares**
	'000	**'000**	**$'000**	**$'000**
2018				
Beginning and end of financial year	**2,523,298**	**(12,374)**	**43,079**	**(1,236)**
2017				
Beginning and end of financial year	2,523,298	(12,374)	43,079	(1,236)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

(a) Call options

On 21 July 2014, the Company issued 210,000,000 call options to its shareholders for purchase of new ordinary shares of the Company at an exercise price of $0.03 per share. Each new ordinary share issued and fully paid will rank equally in all respects with the existing issued ordinary shares of the Company. As a results of the allotment and issuance of the Rights Shares in 2015, pursuant to the adjustment of the Separate Placement and Call Option Agreement, the Call Option Shares have been adjusted to 350,755,370 new ordinary shares at an adjusted exercise price of $0.01796 for each share (the "Adjustment Call Option Shares"). As at 31 December 2018, 350,755,370 (2017: 25,053,955) Adjustment Call Option Shares have lapsed due to the expiry of option.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

20. Share capital and treasury shares

(a) Call options

The call options have been classified as equity instrument as they have met the following conditions:

- There is no contractual obligation to deliver cash or any financial assets to the option holders; and
- The call options will be settled under the Company's own equity instrument, which is a derivative which includes no contractual obligation to deliver a variable number for its own equity instrument and will be settled through the exchange of a fixed amount of cash for a fixed number of the Company's equity instruments.

As both conditions have been met, the equity instrument is recognised at cost when exercised.

(b) Edition Employee Share Option Scheme (the "Scheme")

On 18 December 2017, the Company granted a director and other key management personnel options to subscribe for 35,448,335 ordinary shares of the Company at an exercise price of $0.008 per share under the Scheme, which was approved by the shareholders on 21 November 2017.

The exercise price of the options is determined as the average of the closing prices of the Company's ordinary shares as quoted on the Singapore Exchange for five market days immediately preceding the date of the grant. The vesting of the options is conditional on the directors and key management personnel completing one year of service to the Group from the date of the grant. Once they have vested, the options are exercisable immediately and will expire after a period of ten years from date of grant. These options are exercisable from 18 December 2018 and expire on 17 December 2027. As at 31 December 2018, all options have vested and no options were exercised.

The fair value of the options granted was estimated to be $269,000, using the Black-Scholes Option Pricing model. The significant inputs into the model were share price of $0.008 at the grant date, exercise price of S$0.008, dividend yield of 0%, expected life of 10 years and risk-free interest rate of 2.05%. The volatility of 119.94% is measured as the standard deviation of continuously compounded daily returns over 1 year before grant date.

Movements in the number of unissued ordinary shares under the Scheme and their exercise prices are as follows:

	No. of ordinary shares under option						
	Beginning of financial year	**Granted during financial year**	**Forfeited during financial year**	**Exercised during financial year**	**End of financial year**	**Exercise price**	**Exercise period**
2018							
The Scheme	35,448,335	–	–	–	35,448,335	$0.008	18.12.2018 to 17.12.2027
2017							
The Scheme	–	35,448,335	–	–	35,448,335	$0.008	18.12.2018 to 17.12.2027

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

20. Share capital and treasury shares

(c) Edition Performance Share Plan (the "Share Plan")

On 18 December 2017, the Company granted certain directors and other key management personnel 8,862,084 awards, comprising of 8,862,084 shares under the Share Plan, which was approved by the shareholders on 21 November 2017. The actual number of shares to be released could be zero or a maximum of 8,862,084, free of charge, depending on the achievement of pre-determined performance targets. No shares were vested and no new shares were awarded pursuant to the Edition Performance Share Plan during the financial year ended 31 December 2018.

Movements in the number of unissued ordinary shares under the Share Plan and are as follows:

	The Group and The Company	
	2018	2017
	'000	'000
Beginning of financial year	**8,862**	–
Granted	**–**	8,862
Vested	**–**	–
End of financial year	**8,862**	8,862

21. Other reserves

	The Group			The Company		
	31 December		1 January	31 December		1 January
	2018	2017	2017	**2018**	2017	2017
	$'000	$'000	$'000	**$'000**	$'000	$'000
(a) Composition:						
(i) Share-based payment reserve	**269**	10	–	**269**	10	–
(ii) Currency translation reserve	**(5)**	(16)	14	**–**	–	–
	264	(6)	14	**269**	10	–

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

21. Other reserves

	The Group		The Company	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
(b) Movements:				
(i) Share-based payment reserve				
Beginning of financial year	**10**	–	**10**	–
Share-based payment (Note 6)	**259**	10	**259**	10
End of financial year	**269**	10	**269**	10
(ii) Currency translation reserve				
Beginning of financial year	**(16)**	14	**–**	–
Net currency translation gains/(losses) arising from consolidation	**11**	(30)	**–**	–
End of financial year	**(5)**	(16)	**–**	–

Other reserves are non-distributable.

22. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

(a) Purchases of services

	The Group	
	2018	2017
	$'000	$'000
Provision of services by related party	**163**	108
Management fees paid to related party	**94**	94

Related parties comprise mainly companies which are controlled or significantly influenced by the Group's key management personnel and their close family members.

(b) Key management remuneration

	The Group	
	2018	2017
	$'000	$'000
Salaries, wages and bonus	**617**	534
Employer's contribution to defined contribution plans	**24**	20
	641	554

The above represents total compensation to directors and key management personnel of the Company.

Notes to the Financial Statements
For the Financial Year Ended 31 December 2018

23. Financial risk management

The Group's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance. The Board of Directors sets policies for managing each of these risks and they are summarised below. It is the Group's policy not to trade in derivative contracts.

(a) Market risk

(i) Currency risk

The Group operates mainly in Singapore and Malaysia. Entities in the Group transact in currencies other than their respective functional currencies ("foreign currencies").

Currency risk arises within entities in the Group when transactions are mainly denominated in United States Dollar ("USD"). To manage the currency risk, the Group relies on natural hedging as a risk management tool and does not enter into derivative foreign exchange contracts to hedge its foreign currency risk.

The Group's currency exposure to the USD at 31 December 2018 and 2017 as follows:

	USD
	$'000
<u>**The Group and the Company**</u>	
At 31 December 2018	
Financial asset	
Cash and cash equivalents	**27**
Net currency exposure	**27**
At 31 December 2017	
Financial asset	
Cash and cash equivalents	**26**
Net currency exposure	**26**

Sensitivity analysis for foreign currency risk is not disclosed as the effect on the profit or loss is considered not significant if USD against the SGD by 3% (2017: 3%) with all other variables including tax rate being held constant.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

23. Financial risk management

(a) Market risk

(ii) *Price risk*

The Group is not exposed to equity price risk as it does not hold any equity financial asset.

(iii) *Interest rate risks*

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from short term bank deposits and current and non-current finance lease liabilities.

The Company does not expect any significant 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 financial year.

As at 31 December 2018, if the interest rates had been 50 (2017: 50) basis points higher/lower with all other variables held constant, the Group's loss before tax would have been $74,000 (2017: $41,000) higher/lower, arising mainly as a result of higher/lower interest income/expenses on floating rate short term bank deposits and fixed rate finance lease liabilities. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and the Company are short-term bank deposits and trade and other receivables. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit standing and history to mitigate credit risk. For other financial assets including other receivables and short-term bank deposits, the Group adopts the policy of dealing only with high credit quality counterparties.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet.

Notes to the Financial Statements
For the Financial Year Ended 31 December 2018

23. Financial risk management

(b) Credit risk

The trade and other receivables of the Group comprise two debtors (2017: one debtor) that represented 90% (2017: 80%) of trade and other receivables. The credit risk for trade receivables based on the information provided to key management is as follows:

	The Group	
	2018	2017
	$'000	$'000
By geographical areas		
Singapore	**1,828**	1,838
Malaysia	**19**	12
Israel	**1,741**	–
	3,588	1,850
By types of customers		
- Related parties	**–**	158
- Non-related parties	**3,588**	1,692
	3,588	1,850

The Group and the Company have no significant credit risk exposure in relation to the trade and other receivables, except as disclosed in Note 3(iv) and 11 to the financial statements.

Trade receivables

The Group uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables.

In measuring the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due. The Group has therefore concluded that the expected loss rates for trade receivables are reasonable.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers and receivables to settle the receivables.

The following table provides information about the exposure to credit risk and expected credit losses for current trade receivables for customers as at 31 December 2018:

	Weighted average loss rate	Gross carrying amount	Impairment loss allowance	Credit impaired
	%	$'000	$'000	
The Group				
Past due over 6 months	0.00	**74**	–	No

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

23. Financial risk management

(b) Credit risk

Other receivables

The Group held other receivables from non-related companies of $3,514,000 (31 December 2017: $1,645,000; 1 January 2017: $320,000). These balances are loans and refundable deposit extended and paid to non-related companies for potential investments. The Group uses a similar approach for assessment of ECLs for these receivables to those used for trade receivables.

Impairment on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. The Group does not expect any allowance on these balances as the management is of the view that the balances are neither past due and/or impaired. Moreover, the balances are secured and guaranteed as disclosed in Note 11 to the financial statements.

Non-trade amounts due from subsidiary corporations

The Company held non-trade amounts due from its subsidiary corporations of $10,114,000 (31 December 2017: $8,804,000; 1 January 2017: $6,322,000). These balances are amounts lent to subsidiary corporations to satisfy short term funding requirements. The Company uses a similar approach for assessment of ECLs for these receivables to those used for trade and other receivables.

Impairment on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. The amount of the allowance on these balances is insignificant.

Previous accounting policy for impairment of trade receivables

In 2017, the impairment of financial assets was assessed based on the incurred loss impairment model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The other receivables were assessed collectively, to determine whether there was objective evidence that an impairment had been incurred but not yet identified.

The Group considered that there was evidence if any of the following indicators were present:

- Significant financial difficulties of the debtor;
- Probability that the debtor will enter bankruptcy or financial reorganisation; and
- Default or delinquency in payments (more than 180 days overdue).

(i) Financial assets that are neither past due nor impaired

Short-term bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Trade receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Group.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

23. Financial risk management

(b) Credit risk

(ii) Financial assets that are past due and/or impaired

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

The age analysis of trade receivables past due but not impaired is as follows:

	The Group	
	31 December 2017 $'000	1 January 2017 $'000
Past due over 6 months	64	6

There is no financial assets that are past due and/or impaired as at 31 December 2017 and 1 January 2017.

(c) Liquidity risk

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

	Less than 1 year $'000	**Between 1 and 2 years $'000**	**Between 2 and 5 years $'000**
<u>**The Group**</u>			
At 31 December 2018			
Finance lease liabilities	**21**	**21**	**16**
Trade and other payables	**567**	**–**	**–**
At 31 December 2017			
Trade and other payables	651	–	–
At 1 January 2017			
Trade and other payables	667	-	-

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

23. Financial risk management

(c) Liquidity risk

	Less than 1 year $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000
<u>**The Company**</u>			
At 31 December 2018			
Trade and other payables	**186**	–	–
At 31 December 2017			
Trade and other payables	152	–	–
At 1 January 2017			
Trade and other payables	321	–	–

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

The Group and the Company have no significant capital risks as the Group and the Company have sufficient funds for its current operations and future investments.

The Group and the Company are not subject to externally imposed capital requirements for the financial years ended 31 December 2018 and 2017.

(e) Fair value measurement

The fair value of financial instruments that are not traded in an active market is based on significant unobservable inputs, and such instruments are classified as Level 3.

Fair value information for financial assets and financial liabilities not measured at fair value has not been presented as the carrying amount is a reasonable approximation of fair value due to the short-term nature to maturity.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

23. Financial risk management

(f) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed as follows:

	The Group			The Company		
		31 December	1 January		31 December	1 January
	2018	2017	2017	**2018**	2017	2017
	$'000	$'000	$'000	**$'000**	$'000	$'000
Financial assets, at amortised cost	**19,541**	23,245	26,488	**28,801**	31,341	31,807
Financial liabilities at amortised cost	**625**	651	667	**186**	152	322

24. Segment information

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions, allocate resources, and assess performance. Board of Directors considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in the two primary geographic areas, namely Singapore and Malaysia. From a business segment perspective, management separately considers the agriculture business in Singapore, as well as property development in Singapore and Malaysia.

Agriculture business, property development have been aggregated into one reportable segment as they share similar economic characteristic at the initial development stage. Together with the investment holding segment, the results of the agricultural and property development operations are included in the "all other segments" column.

The segment information provided to the Board of Directors for the reportable segments are as follows:

	Singapore All other segments	
	2018	2017
	$'000	$'000
<u>**The Group**</u>		
Revenue		
- External parties	46	540
Segment results, representing loss before income tax	(3,221)	(2,230)
Net loss include:		
- Amortisation and depreciation	(390)	(240)
- Interest income	268	232
Segment assets	24,499	27,375
Segment assets include:		
Additions to:		
- Property, plant and equipment	1,196	1,178
- Intangible assets	8	–
- Land development rights	53	27
Segment liabilities	666	692

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

24. Segment information

(a) Geographical information

	Revenue	
	2018	2017
	$'000	$'000
Singapore	**46**	540

	Non-current assets	
	2018	2017
	$'000	$'000
Singapore	**3,910**	3,064
Outside Singapore	**1,030**	1,027
	4,940	4,091

In 2017, revenue of approximately $264,000 was derived from a single external customer from the agricultural segment.

25. New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2019 and which the Group has not early adopted:

Effective for annual periods beginning on or after 1 January 2019

(a) SFRS(I)116 Leases (effective for annual periods beginning on or after 1 January 2019)

SFRS(I) 16 will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

The Group will apply the standard from its mandatory adoption date of 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets for property leases will be measured on transition as if the new rules had always been applied. All other right-of-use assets will be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses).

The Group has yet to determine to what extent the commitments as at the reporting date will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2018

25. New or revised accounting standards and interpretations

(b) SFRS(I) INT 23 Uncertainty Over Income Tax Treatments (effective for annual periods beginning on or after 1 January 2019)

The interpretation explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

(i) how to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty;

(ii) that the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored

(iii) that the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment

(vi) that the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty, and

(v) that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

The Group does not expect additional tax liability to be recognised arising from the uncertain tax positions on the adoption of the interpretation on 1 January 2019.

26. Events subsequent to the reporting date

On 24 January 2019, MEOD Pte. Ltd. (“MEOD”) has entered into an exclusive sales distribution agreement (“Agreement”) for a duration of three (3) years with Season Farm Technology Co., Ltd (“Season Farm”).

Season Farm is an Agri-tech products manufacturer and green solution provider. MEOD has been appointed as the authorised exclusive distributor for Season Farm’s products in the ASEAN region. Pursuant to the Agreement, MEOD will be responsible for the marketing, development and integration of Season Farm’s proprietary green energy technology products and services for sale and/or distribution in the agricultural industry in the ASEAN region.

27. Contingent liabilities

The Company provides financial support to certain subsidiary corporations in the Group with capital deficiency and net current liabilities position as at 31 December 2018 to operate as going concern and to meet its liabilities as and when they fall due.

28. Authorisation of financial statements

These consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Edition Ltd. on 28 March 2019.

Appendix I

APPENDIX I DATED 11 APRIL 2019

This appendix (the "**Appendix**") is sent to Shareholders of Edition Ltd. (the "**Company**"), together with the Company's annual report for the financial year ended 31 December 2018.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISOR OR OTHER PROFESSIONAL ADVISOR IMMEDIATELY.

If you have sold or transferred all of your ordinary shares in the capital of the Company, held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Appendix to the purchaser or transferee as arrangements will be made by CDP for a separate Appendix together with the Notice of AGM (as defined herein) and the Proxy Form (as defined herein) which are enclosed with the 2018 Annual Report to be sent to the purchaser or transferee. If you have sold or transferred all of your ordinary shares in the capital of the Company, represented by physical share certificate(s), you should immediately forward this Appendix together with the Notice of AGM and the attached Proxy Form which are enclosed with the 2018 Annual Report, to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

*This Appendix has been prepared by the Company and its contents have been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this Appendix.*

The Appendix has not been examined and reviewed by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Appendix, including the correctness of any of the statements made, reports contained/referred to, or opinions expressed in this Appendix.

The contact person for the Sponsor is Ms Tay Sim Yee, at 1 Robinson Road #21-00 AIA Tower Singapore 048542, telephone (65) 6232 3210.

EDITION LTD.
(Company Registration No. 200411873E)
(Incorporated in the Republic of Singapore)

APPENDIX TO THE NOTICE OF ANNUAL GENERAL MEETING
IN RELATION TO THE PROPOSED RENEWAL OF THE SHARE BUY BACK MANDATE

Appendix I

PROPOSED RENEWAL OF THE SHARE BUY BACK MANDATE OF EDITION LTD. (THE "COMPANY")

1. BACKGROUND

1.1. Notice of AGM

We refer to Ordinary Resolution 9 set out in the notice of annual general meeting dated 8 April 2019 (the "**Notice of AGM**") at pages 123 to 128 of the annual report of the Company for the financial year ended 31 December 2018 (the "**Annual Report**").

1.2. Letter to Shareholders

The purpose of this Appendix is to provide shareholders of the Company (the "**Shareholders**") with information relating to, and to explain the rationale for, the proposed renewal of the Share Buy Back Mandate (as defined in paragraph 1.3 below), and to seek their approval in relation therefor at the annual general meeting of the Company to be held on 23 April 2019 (the "**AGM**").

The details of the Share Buy Back Mandate are set out in paragraph 2 of this Appendix.

1.3. Proposed Renewal of the Share Buy Back Mandate

It is a requirement under the Companies Act, Chapter 50 of Singapore (the "**Act**"), as amended or modified from time to time, for a company to obtain the approval of its shareholders to purchase or otherwise acquire its own shares at a general meeting of its shareholders. At the extraordinary general meeting of the Company held on 21 November 2017 ("**2017 EGM**"), Shareholders had approved, *inter alia*, the share buy-back mandate to enable the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company (the "**Shares**") (the "**Share Buy Back Mandate**"). The Share Purchase Mandate was renewed on 26 April 2018 and will be expiring on the date of the forthcoming AGM, scheduled to be held on 23 April 2019. Accordingly, the directors of the Company (the "**Directors**") are proposing to seek Shareholders' approval for the renewal of the Share Buy Back Mandate at the AGM.

If approved, the renewed Share Buy Back Mandate will take effect from the date of the AGM (the "**Approval Date**") and continue in force until the date of the next annual general meeting of the Company or such date of the next annual general meeting is required by law or by its Constitution, unless prior thereto, Share Buyback are carried out to the full extent mandated or the Share Buy Back Mandate is revoked or varied by the Company in the annual general meeting. The Share Buy Back Mandate will be put to Shareholders for renewal at each subsequent annual general meeting of the Company.

Section 76B(1) of the Companies Act provides, *inter alia*, that notwithstanding Section 76, a Singapore-incorporated company may purchase or otherwise acquire its issued ordinary shares, stocks and preference shares if the purchase or acquisition is expressly permitted under the company's constitution. The Constitution permits the Company to purchase or otherwise acquire shares issued by it. Any purchase or acquisition of shares by the company would have to be made in accordance with, and in the manner prescribed by, the Companies Act and such other laws and regulations as may, for the time being, be applicable. As the Company is listed on the SGX-ST, it is also required to comply with Part XI of Chapter 8 of the Catalist Rules, which relates to the purchase of acquisition or issued ordinary shares in the capital of a company which is listed on Catalist.

It is also a requirement under the Companies Act that a company which wishes to purchase or acquire its own shares must obtain approval from its shareholders to do so at a general meeting of the company. Accordingly, approval is being sought from Shareholders at the AGM for the proposed renewal of the Share Buy Back Mandate.

Appendix I

The Share Buy Back Mandate is set out in Ordinary Resolution 9 in the Notice of AGM. As at 15 March 2019, being the latest practicable date prior to the printing of this Appendix I (the "**Latest Practicable Date**"), the Company did not acquire any Shares pursuant to the Share Buy Back Mandate.

Shareholders are advised that the SGX-ST and the Sponsor assume no responsibility for the contents of this Appendix, including the correctness of any of the statements or opinions made or reports contained in this Appendix.

2. PROPOSED RENEWAL OF THE SHARE BUY BACK MANDATE

2.1. Background and Rationale

The Directors wish to renew the Share Buy Back Mandate to allow the Company to purchase issued Shares. The Share Buy Back Mandate will allow the Directors to make share purchases at the appropriate price level and is one of the ways through which the return on equity of the Company and its subsidiary corporations (the "**Group**") may be enhanced. Share purchases or acquisitions provide the Company with an easy mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements in an expedient and cost-efficient manner. Share purchases or acquisitions also allow the Directors to exercise control over the share structure of the Company and may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the earnings per Share ("**EPS**") and/or the net tangible asset ("**NTA**") per Share of the Company.

During the period when the Share Buy Back Mandate is in force, the Share Buy Back Mandate will give the Directors the flexibility to purchase or acquire Shares when and if the circumstances permit. The Share Buy Back Mandate will also give the Company the opportunity to purchase or acquire Shares when such Shares are undervalued, to help mitigate short-term market volatility and to offset the effects of short-term speculation. The Share Buy Back Mandate will also allow the Directors to effectively manage and minimise the dilution impact (if any) associated with share option schemes and performance share plans.

While the Share Buy Back Mandate would authorise a purchase or acquisition of Shares of up to 10% of the issued share capital of the Company (excluding treasury shares and subsidiary holdings) as at the date of the AGM at which the Share Buy Back Mandate is approved, Shareholders should note that purchases and acquisitions of Shares pursuant to the Share Buy Back Mandate may not be carried out to the full 10% limit as authorised and no purchases or acquisitions of Shares would be made in circumstances which would have or may have a material adverse effect on the financial position of the Company or the Group, or result in the Company being delisted from the SGX-ST.

2.2. Terms of the Mandate

The authority and limitations placed on purchases of Shares by the Company under the proposed renewal of the Share Buy Back Mandate are summarised below:

2.2.1. Maximum Number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares that may be purchased or acquired is limited to that number of Shares representing not more than 4.56% of the issued Shares as at the Approval Date, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Act, at any time during the relevant period, in which event the total number of Shares of the Company shall be taken to be the total number of Shares of the Company as altered. For purposes of calculating the percentage of issued Shares above, any of the Shares which are held as treasury shares and subsidiary holdings will be disregarded.

Appendix I

For illustrative purposes only, based on the existing issued and paid-up share capital of the Company as at the Latest Practicable Date comprising 114,586,912 Shares (excluding Shares held in treasury), and assuming that no further Shares are issued on or prior to the AGM, not more than 114,586,912 Shares (representing 4.56% of the issued Shares (excluding Shares held in treasury and subsidiary holdings) as at that date) may be purchased or acquired by the Company pursuant to the proposed renewal of the Share Buy Back Mandate.

Notwithstanding that the threshold for the proposed renewal of the Share Buy Back Mandate is not more than 4.56% of the issued Shares as at the Approval Date, the Company would not purchase or acquire more than 114,586,912 Shares (or 4.56% of the issued Shares (excluding treasury shares and subsidiary holdings)) pursuant to the proposed renewal Share Buy Back Mandate, in order to comply with the public float requirement in Rule 723 of the Catalist Rules.

Please refer to section 2.10 of this Appendix for further details.

2.2.2. Duration of Authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the Approval Date, up to the earlier of:

(a) the date on which the next AGM is held or is required by law to be held;

(b) the date on which the buy backs of Shares pursuant to the proposed renewal of Share Buy Back Mandate are carried out to the full extent mandated; or

(c) the date on which the authority conferred in the proposed renewal of Share Buy Back Mandate is varied or revoked.

The proposed renewal of Share Buy Back Mandate may be renewed at each AGM or other general meeting of the Company.

2.2.3. Manner of Purchase of Shares

Purchases of Shares may be made by way of, *inter alia*:

(a) on-market purchases ("**Market Purchase**"), transacted on the SGX-ST; and/or

(b) off-market purchases ("**Off-Market Purchase**") (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Act.

The Directors may impose such terms and conditions which are not inconsistent with the proposed renewal of the Share Buy Back Mandate, the Catalist Rules and the Act as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme(s). An Off-Market Purchase must, however, satisfy all the following conditions:

(i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;

(ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and

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(iii) the terms of all the offers shall be the same, except that there shall be disregarded:

(1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;

(2) (if applicable) differences in consideration attributable to the fact that the offers relates to Shares with different amounts remaining unpaid; and

(3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

In addition, Rule 870 of the Catalist Rules provide that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which must contain at least the following information:

(i) the terms and conditions of the offer;

(ii) the period and procedures for acceptances;

(iii) the reasons for the proposed renewal of the Share buy-back;

(iv) the consequences, if any, of Share buy-back by the Company that will arise under the Singapore Code on Take-overs and Mergers (the "**Takeover Code**"), as may be amended or modified from time to time, and all practice notes, rules and guidelines thereafter, as may be issued or amended from time to time, or other applicable take-over rules;

(v) whether the Share buy back, if made, could have any effect on the listing of the Shares on Catalist; and

(vi) details of any Share buy back made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases in accordance with an equal access scheme), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and

(vii) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

2.2.4. Maximum Purchase Price

The purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) to be paid for the Shares will be determined by the Directors.

However, the purchase price to be paid for a Share as determined by the Directors must not exceed:

(a) in the case of a Market Purchase, 105% of the Average Closing Price (as defined below); and

(b) in the case of an Off-Market Purchase pursuant to an equal access scheme, up to 120% of the Average Closing Price,

(the "**Maximum Price**") in either case, excluding related expenses of the purchase. For the above purposes:

"**Average Closing Price**" means the average of the closing market prices of the Shares over the last 5 Market Days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant 5-day period.

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"**date of the making of the offer**" means the date on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.3. Status of Purchased Shares under the Share Buy Back Mandate

2.3.1. Cancellation

Any Share which is purchased or acquired by the Company shall, unless held as treasury shares to the extent permitted under the Act, be deemed cancelled immediately on purchase or acquisition, and all rights and privileges attached to that Share will expire on cancellation. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares. At the time of each purchase or acquisition of Shares by the Company, the Directors will decide whether the Shares purchased or acquired will be cancelled or kept as treasury shares, or partly cancelled and partly kept as treasury shares, as the Directors deem fit in the interests of the Company at that time.

All Shares purchased or acquired by the Company (other than treasury shares) will be automatically delisted from Catalist, and certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase or acquisition.

No acquisition by a company of its own shares whether to be held as treasury shares or for cancellation may be affected if, on the date on which the acquisition is to be affected, there are reasonable grounds for believing that the company is, or after the acquisition would be, unable to pay its liabilities as they become due.

2.3.2. Treasury Shares

Under the Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Act are summarised below:

(a) Maximum Holdings

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares. Any Shares in excess of this limit shall be disposed of or cancelled in accordance with the applicable provisions of the Companies Act.

(b) Voting and Other Rights

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of Shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share into treasury shares of a smaller amount is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

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(c) Disposal and Cancellation

Where Shares are held as treasury shares, the Company may at any time (but subjected always to the Takeover Code):

(1) sell the treasury shares for cash;

(2) transfer the treasury shares for the purposes of or pursuant to an employees' share scheme;

(3) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;

(4) cancel the treasury shares; or

(5) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

Under Rules 704(31) of the Catalist Rules, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares (in each case, the "**Usage**"). Such announcement must include details such as the date of the Usage, the purposed of the Usage, the number of treasury shares comprised in the Usage, the number of treasury shares before and after the Usage, the percentage of the number of treasury shares comprised in the Usage against the total number of issued shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after the Usage, and the value of the treasury shares if they are used for or transfer or cancelled.

2.4. Source of Funds for the Proposed Renewal of the Share Buy Back

In buying back Shares, the Company may only apply funds legally available for such purchase in accordance with its Constitution, and the applicable laws in Singapore. The Company may not buy Shares on Catalist for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the SGX-ST. The buy back of Shares by the Company may be made out of the Company's profits or capital so long as the Company is solvent.

Pursuant to Section 76F(4) of the Act, the Company is solvent if at the date of payment in consideration of a Share buy back:

(a) there are no grounds on which the Company could be found to be unable to pay its debts as they fall due in the normal course of business at the time of payment for the purchase of its shares, as well as during the period of twelve (12) months after the purchase; and

(b) the value of the Company's assets is not less than the value of its liabilities (including contingent liabilities) and such value will not, after any buy back of Shares become less than the value of its liabilities (including contingent liabilities).

In determining that the Company is solvent, the Directors must have regard to the most recently audited financial statements, other relevant circumstances, and may rely on valuations or estimates of assets or liabilities. In determining the value of contingent liabilities, the Directors may take into account the likelihood of the contingency occurring, as well as any counter-claims by the Company.

When Shares are purchased or acquired, and cancelled:

(a) if the Shares are purchased or acquired entirely out of the capital of the Company, the Company shall reduce the amount of its share capital by the total amount of the purchase price paid by the Company for the Shares (excluding brokerage, stamp duties, applicable goods and services tax, clearance fees and other related expenses) (the "**Share Buy Back Purchase Price**");

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(b) if the Shares are purchased or acquired entirely out of profits of the Company, the Company shall reduce the amount of its profits by the total amount of the Share Buy Back Purchase Price; or

(c) where the Shares are purchased or acquired out of both the capital and the profits of the Company, the Company shall reduce the amount of its share capital and profits proportionately by the total amount of the consideration paid by the Company for the Share buy back.

The Company may use internal or external sources of funds to finance purchases of Shares pursuant to the proposed renewal of the Share Buy Back Mandate.

The Directors do not propose to exercise the proposed renewal of the Share Buy Back Mandate in a manner and to such extent that the liquidity and capital adequacy position of the Group would be materially adversely affected.

2.5. Take-over Implications under the Take-over Code

2.5.1. Obligation to Make a Take-over Offer

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Takeover Code. Consequently, a Shareholder or a group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

Under Rule 14, a Shareholder and persons acting in concert with the Shareholder will incur an obligation to make a mandatory take-over offer if, *inter alia*, he and persons acting in concert with him increase their voting rights in the Company to 30 per cent or more or, if they, together holding between 30 per cent and 50 per cent of the Company's voting rights, increase their voting rights in the Company by more than 1 per cent in any period of 6 months.

2.5.2. Persons Acting in Concert

Under the Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal) co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

Unless the contrary is established, the following persons will be presumed to be acting in concert with each other:

(i) a company, its parent company, subsidiary corporations and fellow subsidiary corporations, and their associated companies and companies of which such companies are associated companies. For this purpose, ownership or control of at least 20% but not more than 50% of the voting rights of a company will be regarded as the test of associated company status;

(ii) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);

(iii) a company with any of its pension funds and employee share schemes;

(iv) a person with any investment company, unit trust or other fund in respect of the investment account which such person manages on a discretionary basis;

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(v) a financial or other professional advisor, with its clients in respect of the shareholdings of the advisor and the persons controlling, controlled by or under the same control as the advisor and all the funds which the advisor manages on a discretionary basis, where the shareholdings of the advisor and any of those funds in the client total 10% or more of the client's equity share capital;

(vi) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;

(vii) partners; and

(viii) an individual, his close relatives, his related trusts, and any person who is accustomed to act according to his instructions and companies controlled by any of the above and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.

Unless exempted, Directors of the Company and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties increase to 30% or more, or if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties increase by 1 per cent in any period of 6 months.

A Shareholder who is not acting in concert with Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its own Shares, the voting rights of such Shareholder in the Company would increase to 30% or more, or if the voting rights of such directors fall between 30% and 50% of the company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of 6 months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buy Back Mandate.

The Directors have confirmed that they are not aware of any facts or factors which suggest or imply that any particular persons and/or Shareholders are, or may be regarded as parties acting in concert such that their respective interests in voting shares in the capital of the Company should or ought to be consolidated, and consequences under the Take-over Code would ensue as a result of a Share buy back. Further details of the interests of the Directors and Substantial Shareholders of the Company in Shares as at the Latest Practicable Date are set out in Section 3 of this Appendix.

The statements in this Appendix do not purport to be a comprehensive or exhaustive description of all implications that may arise under the Take-over Code. Shareholders are advised to consult their professional advisors and/or the Securities Industry Council and/or other relevant authorities at the earliest opportunity as to whether an obligation to make a take-over offer would arise by reason of any share purchases or acquisitions by the Company.

2.6. Financial Effects of the Proposed Renewal of the Share Buy Back Mandate

2.6.1. General

Shareholders should note that the financial effects illustrated below are for illustrative purposes only. In particular, it is important to note that the financial analysis set out below are based on the audited consolidated financial statements for FY2018 (please refer to pages 56 to 104 of the Annual Report). It should be noted that to comply with the public float requirement in Rule 723 of the Catalist Rules, the Company would not purchase or acquire more than 114,586,912 Shares (or 4.56% of the issued Shares (excluding treasury shares and subsidiary holdings)).

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2.6.2. Financial Effects of the Proposed Renewal of the Share Buy Back Mandate

It is not possible for the Company to realistically calculate or quantify the impact of purchases that may be made pursuant to the proposed renewal of the Share Buy Back Mandate on the financial effects as it would depend on factors such as the aggregate number of Shares purchased or acquired, the consideration paid at the relevant time, and the amount (if any) borrowed by the Company to fund the purchases, whether the purchase or acquisition is made out of profits or capital, and whether the Shares purchased are held in treasury or cancelled. The purchase price paid by the Company for the Shares (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company. The Directors do not propose to exercise the proposed renewal of Share Buy Back Mandate to such an extent that it would have a material adverse effect on the financial position of the Company. The purchase of Shares will only be affected after considering relevant factors such as the Group's working capital requirement, the availability of financial resources to the Group, the Group's expansion and investment plans and the prevailing market conditions. The proposed renewal of the Share Buy Back Mandate will be exercised with a view to enhance the earnings and/or NTA value per Share of the Group. The financial effects presented in this Section of this letter are based on the assumptions set out below:

(a) Information as at the Latest Practicable Date

As at the Latest Practicable Date, the Company has 2,510,923,690 issued Shares (excluding 12,374,000 Shares held in treasury).

(b) Illustrative Financial Effects

Purely for illustrative purposes, on the basis of 2,510,923,690 Shares (disregarding the 12,374,000 treasury shares) in issue as at the Latest Practicable Date and assuming no further Shares are issued and no Shares are held by the Company as treasury shares on or prior to the AGM, the purchase by the Company of 4.56% of its issued Shares (excluding Shares held in treasury) will result in the purchase of 114,586,912 Shares.

In the case of Market Purchases by the Company and assuming that the Company purchases or acquires 114,586,912 Shares at the Maximum Price of $0.007 for each Share (being the price equivalent to 105% of the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on Catalist immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 114,586,912 Shares is approximately $802,108.

In the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 114,586,912 Shares at the Maximum Price of S$0.008 for each Share (being the price equivalent to 120% of the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on Catalist immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 114,586,912 Shares is approximately $916,695.

Taking into consideration the existing 12,374,000 Shares held in treasury by the Company as at the Latest Practicable Date, the maximum number of Shares which the Company may purchase or acquire pursuant to the Share Purchase Mandate and hold in treasury shall be 102,212,912 Shares.

For illustrative purposes only and on the basis of the assumptions set out above as well as the following:-

(i) the Share Buy Back Mandate had been effective since 1 January 2017;

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(ii) such Share purchases are funded solely by internal resources and/or borrowings;

(iii) purchase or acquisition of 114,586,912 Shares by the Company pursuant to the Share Purchase Mandate by way of Market Purchases made entirely out of capital and cancelled;

(iv) purchase or acquisition of 114,586,912 Shares by the Company pursuant to the Share Purchase Mandate by way of Off-Market Purchases made entirely out of capital and cancelled;

(v) purchase or acquisition of 102,212,912 Shares by the Company pursuant to the Share Purchase Mandate by way of Market Purchases made entirely out of capital and held in treasury; and

(vi) purchase or acquisition of 102,212,912 Shares by the Company pursuant to the Share Purchase Mandate by way of Off-Market Purchases made entirely out of capital and held in treasury.

The financial effects on the audited consolidated financial results of the Group for FY2018, are set out below:-

Scenario 1: Purchases made entirely out of capital and cancelled

	Group			
	Market Purchase		**Off-Market Purchase**	
($'000) **As at 31 December 2018**	Before Share buy back	After Share buy back	Before Share buy back	After Share buy back
Share capital	43,079	42,277	43,079	42,162
Treasury shares	(1,236)	(1,236)	(1,236)	(1,236)
Other reserves	264	264	264	264
Accumulated losses	(18,153)	(18,153)	(18,153)	(18,153)
Total Shareholders' Equity	23,954	23,152	23,954	23,037
Net Tangible Assets attributable to owners of the Company[1]	23,833	23,031	23,833	22,916
Current Assets	19,559	18,757	19,559	18,642
Current Liabilities	(588)	(588)	(588)	(588)
Working Capital	18,971	18,169	18,971	18,054
Total Borrowings	(58)	(58)	(58)	(58)
Loss after tax and non-controlling interest	(2,766)	(2,766)	(2,766)	(2,766)
Number of shares ('000)	2,510,924	2,396,337	2,510,924	2,396,337
Weighted average number of shares ('000)	2,510,924	2,396,337	2,510,924	2,396,337
Financial Ratios				
NTA per share[2] (cents)	0.95	0.96	0.95	0.96
Current Ratio[3] (times)	33.3	31.9	33.3	31.7
Basic EPS[4] (cents)	(0.11)	(0.12)	(0.11)	(0.12)

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Scenario 2: Purchases made entirely out of capital and held as treasury shares

	Group			
	Market Purchase		Off-Market Purchase	
($'000) **As at 31 December 2018**	Before Share buy back	After Share buy back	Before Share buy back	After Share buy back
Share capital	43,079	43,079	43,079	43,079
Treasury shares	(1,236)	(1,951)	(1,236)	(2,054)
Other reserves	264	264	264	264
Accumulated losses	(18,153)	(18,153)	(18,153)	(18,153)
Total Shareholders' Equity	23,954	23,239	23,954	23,136
Net Tangible Assets attributable to owners of the Company[1]	23,833	23,118	23,833	23,015
Current Assets	19,559	18,844	19,559	18,741
Current Liabilities	(588)	(588)	(588)	(588)
Working Capital	18,971	18,256	18,971	18,153
Total Borrowings	(58)	(58)	(58)	(58)
Loss after tax and non-controlling interest	(2,766)	(2,766)	(2,766)	(2,766)
Number of shares ('000)	2,510,924	2,408,711	2,510,924	2,408,711
Weighted average number of shares ('000)	2,510,924	2,408,711	2,510,924	2,408,711
Financial Ratios				
NTA per share[2] (cents)	0.95	0.96	0.95	0.96
Current Ratio[3] (times)	33.3	32.0	33.3	31.9
Basic EPS[4] (cents)	(0.11)	(0.12)	(0.11)	(0.12)

Notes:-

(1) Net Tangible Assets attributable to owners of the Company refers to net assets attributable to owners of Company less intangible assets.

(2) NTA per share is computed based on the NTA divided by the weighted average number of shares.

(3) Current ratio represents the ratio of current assets to current liabilities.

(4) Basic EPS equals Loss after tax and non-controlling interest divided by the weighted average number of shares.

(5) As the number of treasury shares that the Company may hold, taking into account the 12,374,000 treasury shares held by the Company as at the Latest Practicable Date, shall not exceed 251,092,369 Shares, the number of shares computed is based on the maximum number of 238,718,369 Shares being purchased and held as treasury shares.

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Shareholders should note that the financial effects set out herein are purely for illustrative purposes only. In particular, it is important to note that the analysis herein is based on the audited consolidated financial statements of the Company and the Group for FY2018 and is not necessarily representative of future financial performance.

Although the proposed renewal of the Share Purchase Mandate would authorise the Company to purchase or acquire up to 4.56% of its total number of issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 4.56% of its total number of issued Shares. In addition, the Company may cancel, or hold as treasury shares, all or part of the Shares purchased or acquired. **It should be noted that subject to Rule 723 of the Catalist Rules, the Company would not purchase or acquire more than 114,586,912 Shares or (4.56% of the issued Shares (excluding treasury shares and subsidiary holdings) pursuant to the Share Buy Back Mandate.**

Shareholders who are in doubt as to their respective tax positions or any tax implications arising from the proposed renewal of the Share Purchase Mandate or who may be subject to tax in a jurisdiction other than Singapore should consult their own professional advisors.

2.7. Taxation

Shareholders who are in doubt as to their respective tax positions or any such tax implications or who may be subject to tax in a jurisdiction other than Singapore should consult their own professional advisors.

2.8. Interested Persons

The Company is prohibited from knowingly buying Shares on Catalist from an interested person, that is, a Director, the Chief Executive Officer of the Company or Controlling Shareholder of the Company or any of their Associates, and an interested person is prohibited from knowingly selling his Shares to the Company.

2.9. Reporting Requirements under the Companies Act

Within 30 days of the passing of a Shareholders' resolution to approve the purchases of Shares by the Company, the Company shall lodge a copy of such resolution with ACRA. Within 30 days of a purchase of Shares on Catalist or otherwise, the Company shall lodge with ACRA the notice of the purchase in the prescribed form, such notification including, *inter alia*, details of the purchase, the total number of Shares purchased by the Company, the total number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued ordinary share capital before the purchase and after the purchase of Shares, the amount of consideration paid by the Company for the purchase, and whether the Shares were purchased out of the profits or the capital of the Company.

Within 30 days of the cancellation or disposal of treasury shares in accordance with the provisions of the Companies Act, the Directors shall lodge with the Registrar the notice of cancellation or disposal of treasury shares in the prescribed form.

2.10. Catalist Rules

Rule 723 of the Catalist Rules require a listed company to ensure that at least 10% of its shares are at all times held by public Shareholders.

As at the Latest Practicable Date, approximately 14.11% of the issued Shares of the Company are held in the hands of the public. Assuming that (a) the Company purchases a maximum of 10% of the issued Shares from such public Shareholders and the Shares bought back are cancelled and (b) the Shares held by the Substantial Shareholders of the Company and the Directors remain unchanged, the resultant percentage of the issued Shares held by public Shareholders would be reduced to approximately 4.56%.

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Accordingly, on the assumption that the Mr Ong Boon Chuan and his associates did not participate in the Edition Employee Share Option Scheme (the "**Scheme**") and the Edition Employee Share Plan (the "**Share Plan**"), the Company would not purchase or acquire more than 114,586,912 Shares (or 4.56% of the issued Shares (excluding treasury shares and subsidiary holdings)) pursuant to the proposed renewal of the Share Buy Back Mandate. The Company will not purchase or acquire Shares such that the number of Shares remaining in the hands of the public will fall below 10% of the issued shares as to cause market illiquidity or adversely affect the orderly trade of the Shares or the listing status of the Company.

Under the Catalist Rules, a listed company may only purchase shares by way of a market acquisition at a price which is not more than 5% above the average closing market price. The term average closing market price is defined as the average of the closing market prices of shares over the last 5 Market Days, on which transactions in the shares were recorded, before the day on which purchases are made. The Maximum Price for a Share in relation to Market Purchases by the Company, referred to in Section 2.2.4 of this Appendix, conforms to this restriction.

Additionally, the Catalist Rules also specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m.:

(a) in the case of a Market Purchase, on the Market Day following the day of purchase of any of its shares; and

(b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer.

Such announcement shall include, *inter alia*, details of the total number of Shares authorised for purchase, the date of purchase, the total number of Shares purchased, the price paid per Share or (in the case of Market Purchases) the price paid per Share or the highest price and lowest price paid per Share, the total consideration (including stamp duties, clearing charges, etc.) paid for the Shares and the number of issued Shares after purchase, in the form prescribed under the Catalist Rules. The Company shall make arrangements with its stockbrokers to ensure that they provide to the Company in a timely fashion the necessary information which will enable the Company to make the necessary notifications to the SGX-ST.

While the Catalist Rules does not expressly prohibit any purchase of shares by a listed company during any particular time, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed renewal of the Share Buy Back Mandate at any time after any matter or development of a price-sensitive nature has occurred or has been the subject of consideration and/or a decision of the Board until such price-sensitive information has been publicly announced.

Further, in conformity with the best practices on dealing with securities under the Catalist Rules, the Company will not purchase or acquire any Shares through Market Purchases during the period commencing 1 month before the announcement of the Company's half year and full year financial results until after the release of the announcement.

2.11. Shares purchased by the Company in the previous 12 months

The Company has not purchased or acquired any Shares in the last twelve (12) months immediately preceding the Latest Practicable Date.

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3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, the interests of the Directors and Substantial Shareholders (both direct and deemed) are as follows:

	Direct Interest		Deemed Interest		No. of unissued ordinary shares under the Scheme and the Share
Directors	**No. of Shares**	**%[(1)]**	**No. of Shares**	**%[(1)]**	**Plan**
Ong Boon Chuan	–	–	2,156,703,100[(2)]	85.89	34,026,771[(4)]
Lui Seng Fatt	–	–	–	–	–
Toh See Kiat	–	–	–	–	–
Hor Siew Fu	–	–	–	–	–
Substantial Shareholders (other than Directors)					
B&L Group Pte Ltd	1,815,272,000	72.29	–	–	–
Kok Lee Kuen	341,431,100	13.60	1,815,272,000[(3)]	72.29	–

Notes: -

(1) Based on 2,510,923,690 issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date.

(2) Deemed interest by virtue of interest in shares of the Company by B&L Group Pte. Ltd. and his spouse, Mdm Kok Lee Kuen pursuant to Section 7 of the Companies Act, Chapter 50.

(3) Deemed interest by virtue of interest in shares of the Company by B&L Group Pte. Ltd. pursuant to Section 7 of the Companies Act.

(4) As per Latest Practicable Date, pursuant to the Scheme and Share Plan, there are 27,221,417 options and 6,805,354 share awards granted to Mr Ong Boon Chuan.

Saved as disclosed in this Appendix, other than through their respective shareholdings in the Company, none of the Directors or Controlling Shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company) in the transactions.

4. DIRECTORS' RECOMMENDATIONS

The Directors are of the opinion that the proposed renewal of the Share Buy Back Mandate is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolution relating to the proposed renewal of the Share Buy Back Mandate at the AGM.

5. ADVICE TO SHAREHOLDERS

Shareholders are advised to read this Appendix in its entirety and, for those who may require advice in the context of their specific investments, to consult their stockbrokers, bank managers, solicitors, accountants or other professional advisors.

Appendix I

In compliance with its continuing listing obligations under the Catalist Rules, the Company will also be announcing, from time to time, material information relating to the Company. As such, the Shareholders are also advised to refer to such announcements when considering the Proposals to be tabled at the AGM.

6. ANNUAL GENERAL MEETING

The AGM will be held at 78 Gilstead Road, Singapore 309116, on 23 April 2019 at 10 a.m. for the purpose of considering and, if thought fit, passing, with or without modification the resolutions set out in the Notice of AGM.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the AGM and who wish to appoint a proxy or proxies to attend and vote on their behalf should complete, sign and return the Proxy Form attached to the Notice of AGM in accordance with the instructions printed therein as soon as possible and, in any event, so as to arrive at the office of the Share Registrar of the Company at 80 Robinson Road, #11-02, Singapore 068898, not later than forty-eight (48) hours before the time fixed for holding the AGM. The completion and return of the proxy form by a Shareholder will not prevent him from attending and voting at the AGM, if he wishes to do so, in place of his proxy. However, any appointment of a proxy or proxies by such Shareholder shall be deemed to be revoked if the Shareholder attends the AGM 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 AGM.

A Depositor shall not be regarded as a Shareholder of the Company entitled to attend the AGM and to speak and vote thereat unless his name appears on the Depository Register maintained by CDP not less than seventy-two (72) hours before the time fixed for the AGM or any adjournment thereof.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the Proposals, the Company and its subsidiary corporations, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

9. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of the Company at 80 Robinson Road, #02-00, Singapore 068898 during normal business hours from the date of this Appendix up to the date of the AGM:

(a) the Constitution of the Company;

(b) the annual report of the Company for the FY2018.

Statistics of Shareholdings

As at 15 March 2019

Distribution of Shareholders by Size of Shareholdings as at 15 March 2019

Number of shares issued excluding treasury shares	:	2,510,923,690
Class of shares	:	Ordinary shares fully paid
Voting rights	:	One vote per share
Number/Percentage of treasury shares against total shares issued excluding treasury shares	:	12,374,000 (0.49%)
Number of subsidiary holdings	:	Nil

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	4	0.85	94	0.00
100 - 1,000	51	10.78	19,900	0.00
1,001 - 10,000	69	14.59	399,330	0.02
10,001 - 1,000,000	302	63.85	59,569,818	2.37
1,000,001 and above	47	9.93	2,450,934,548	97.61
Total	**473**	**100.00**	*** 2,510,923,690**	**100.00**

* Shareholdings exclusive of 12,374,000 treasury shares

Substantial Shareholders as at 15 March 2019

	Direct Interests		Deemed Interests	
Name	No. of Shares	%(1)	No. of Shares	%(1)
B&L Group Pte. Ltd.	1,815,272,000	72.29	–	–
Kok Lee Kuen	341,431,100	13.60	1,815,272,000(2)	72.29
Ong Boon Chuan	–	–	2,156,703,100(3)	85.89

(1) Based on issued and paid up shares excluding treasury shares of the Company.

(2) Deemed interest by virtue of interest in shares of the Company by B&L Group Pte. Ltd. pursuant to Section 7 of the Companies Act, Chapter 50.

(3) Deemed interest by virtue of interest in shares of the Company by B&L Group Pte. Ltd. and his spouse, Mdm. Kok Lee Kuen pursuant to Section 7 of the Companies Act, Chapter 50.

Statistics of Shareholdings

As at 15 March 2019

Twenty Largest Shareholders as at 15 March 2019

	Shareholder's Name	No. of Shares	%
1	B&L GROUP PTE LTD	1,815,272,000	72.29
2	KOK LEE KUEN	341,431,100	13.60
3	CITIBANK NOMINEES SINGAPORE PTE LTD	57,871,200	2.30
4	KHOO AI WAH	49,000,000	1.95
5	MAYBANK KIM ENG SECURITIES PTE LTD	21,868,050	0.87
6	LAU SING @ LIEW SING HUN OR LAU SEA HUAN @ LAU KOK HAN	20,000,000	0.80
7	PHILLIP SECURITIES PTE LTD	14,542,050	0.58
8	OCBC SECURITIES PRIVATE LTD	12,931,048	0.51
9	KOK YIN LEONG	9,815,000	0.39
10	LUO FENG	9,589,500	0.38
11	RAMESH S/O PRITAMDAS CHANDIRAMANI	9,000,000	0.36
12	UNITED OVERSEAS BANK NOMINEES PTE LTD	6,300,200	0.25
13	LAU SING @ LIEW SING HUN	6,009,000	0.24
14	TAN GEK POH	4,600,000	0.18
15	TAN ENG HONG	4,501,000	0.18
16	GOH GUAN SIONG (WU YUANXIANG)	4,234,000	0.17
17	LIM KIEN WEE	3,500,000	0.14
18	TAN CHEE WAN	3,500,000	0.14
19	WANG HUI	3,300,000	0.13
20	CHEN CHIN EE	3,222,400	0.13
	Total *	**2,400,486,548**	**95.59**

* Shareholdings exclusive of 12,374,000 treasury shares

Compliance with Rule 723 of the Catalist Rules

Based on the information available to the Company as at 15 March 2019, approximately 14.11% of the Company's issued ordinary shares excluding treasury shares was held by the public and therefore, the Company is in compliance with Rule 723 of the Rules of Catalist of Singapore Exchange Securities Trading Limited.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Fourteenth Annual General Meeting ("**AGM**") of Edition Ltd. (the "**Company**") will be held at 78 Gilstead Road, Singapore 309116 on Tuesday, 23 April 2019 at 10.00 a.m. (the "**Meeting**") to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 31 December 2018 and the Auditors' Report thereon. **(Resolution 1)**

2. To approve the Directors' fees of S$81,000 for the financial year ending 31 December 2019, to be paid semi-annually in arrears (2018: S$114,000). **(Resolution 2)**

3. To re-elect Mr Ong Boon Chuan, a Director retiring pursuant to Article 91 of the Company's Constitution and who, being eligible, offers himself for re-election. **(Resolution 3)**

4. To re-elect Mr Hor Siew Fu, a Director retiring pursuant to Article 91 of the Company's Constitution and who, being eligible, offers himself for re-election.

   Mr Hor Siew Fu, who is an Independent Director, if re-elected as Director of the Company, will remain as the Chairman of the Audit Committee and a member of the Remuneration and Nominating Committees and will be considered independent for the purposes of Rule 704(7) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST Catalist Rules**"). **(Resolution 4)**

5. To re-appoint Messrs Nexia TS Public Accounting Corporation, Public Accountants and Chartered Accountants, as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 5)**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following as ordinary resolutions with or without modifications:

6. Authority to allot and issue shares

"That pursuant to Section 161 of the Companies Act, Chapter 50 (the "**Act**") and the SGX-ST Catalist Rules, approval be and is hereby given to the Directors of the Company at any time to such person and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, to:

(a) (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise;

(ii) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, "**Instruments**") including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares; and

(iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues,

(b) (notwithstanding the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the authority was in force,

Notice of Annual General Meeting

provided always that

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) does not exceed 100% of the Company's total number of issued shares (excluding treasury shares and subsidiary holdings), of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) to be issued other than on a pro rata basis to shareholders of the Company does not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company, and for the purpose of this resolution, the total number of issued shares shall be the Company's total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this resolution is passed, after adjusting for:

(a) new shares arising from the conversion or exercise of convertible securities;

(b) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the SGX-ST Catalist Rules; and

(c) any subsequent bonus issue, consolidation or subdivision of the Company's shares, and

such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next annual general meeting or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier."
(see Explanatory Note 1) **(Resolution 6)**

7. **Authority to grant options and issue shares under the Edition Employee Share Option Scheme**

"That authority be and is hereby given to the Directors of the Company to offer and grant options in accordance with the provisions of the Edition Employee Share Option Scheme (the "**Scheme**") and pursuant to Section 161 of the Act to allot and issue and/or deliver from time to time such number of fully-paid shares as may be required to be issued or delivered pursuant to the exercise of options provided that the aggregate number of shares available pursuant to the Scheme, the Share Plan (as hereinafter defined) and any other share-based schemes of the Company, shall not exceed 15% of the total issued shares of the Company (excluding any shares held in treasury and subsidiary holdings) from time to time."
(see Explanatory Note 2) **(Resolution 7)**

8. **Authority to grant awards and issue shares under the Edition Performance Share Plan**

"That authority be and is hereby given to the Directors of the Company to grant awards in accordance with the Edition Performance Share Plan (the "**Share Plan**") and pursuant to Section 161 of the Act to allot and issue, transfer and/or deliver from time to time such number of fully paid-up shares as may be required to be issued or delivered pursuant to the vesting of awards under the Share Plan provided that the aggregate number of shares available pursuant to the Share Plan, the Scheme and other share-based schemes of the Company, shall not exceed 15% of the total number of issued shares of the Company (excluding any shares held in treasury and subsidiary holdings) from time to time."
(see Explanatory Note 3) **(Resolution 8)**

Notice of Annual General Meeting

9. **Approval of Renewal of the General Mandate for Share Purchase**

"That:

(a) for the purposes of Sections 76C and 76E of the Act, the Directors be and are hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire shares not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:

(i) market purchases (each a "**Market Purchase**") on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"); and/or

(ii) off-market purchases (each an "**Off-Market Purchase**") (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Act, and otherwise in accordance with all other provisions of the Act and the SGX-ST Catalist Rules as may for the time being be applicable; (the "**Share Buy Back Mandate**")

(b) any share that is purchased or otherwise acquired by the Company pursuant to the Share Buy Back Mandate shall, at the discretion of the Directors, either be cancelled or held in treasury and dealt with in accordance with the Act;

(c) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buy Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:

(i) the date on which the next annual general meeting of the Company is held or is required by law to be held;

(ii) the date on which the buy back of shares pursuant to the Share Buy Back Mandate is carried out to the full extent mandated; or

(iii) the date on which the authority conferred in the Share Buy Back Mandate is varied or revoked;

(d) for purposes of this Resolution:

"**Prescribed Limit**" means 4.56% of the issued shares as at the date of the passing of this Resolution unless the Company has effected a reduction of its share capital in accordance with the applicable provisions of the Act, at any time during the Relevant Period (as hereinafter defined), in which event the number of issued shares shall be taken to be the number of issued shares as altered (excluding any treasury shares and subsidiary holdings that may be held by the Company from time to time);

"**Relevant Period**" means the period commencing from the date on which the last AGM was held and expiring on the date the next AGM is held or is required by law to be held, whichever is earlier, after the date of this Resolution;

Notice of Annual General Meeting

"**Maximum Price**" in relation to a share to be purchased, means an amount (excluding brokerage, commission, stamp duties, applicable goods and services tax, clearance fees and other related expenses) not exceeding:

(i) in the case of a Market Purchase: 105% of the Average Closing Price (as hereinafter defined); and

(ii) in the case of an Off-Market Purchase: 120% of the Average Closing Price, where:

"**Average Closing Price**" means the average of the closing market prices of a share over the last 5 market days, on which transactions in the shares were recorded, preceding the day of the market purchase by the Company or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant 5-day period;

"**date of the making of the offer**" means the date on which the Company announces its intention to make an offer for the purchase of shares from Shareholders of the Company stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

(e) any of the Directors be and are hereby authorised to complete and do all such acts and things (including without limitation, to execute all such documents as may be required and to approve any amendments, alterations or modifications to any documents), as they or he may consider desirable, expedient or necessary to give effect to the transactions contemplated by this resolution."
(see Explanatory Note 4) **(Resolution 9)**

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

BY ORDER OF THE BOARD

LOW MEI WAN (MS)
LIN MOI HEYANG (MS)
Company Secretaries
8 April 2019

Notice of Annual General Meeting

Explanatory Notes:

1. The Resolution 6 is to authorise the Directors of the Company from the date of the above Meeting until the next Annual General Meeting to issue shares and convertible securities in the Company up to an amount not exceeding in aggregate 100% of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company of which the total number of shares and convertible securities issued other than on a pro rata basis to existing shareholders shall not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company at the time the resolution is passed, for such purposes as they consider would be in the interests of the Company.

   For the purpose of Resolution 6, the total number of issued shares (excluding treasury shares and subsidiary holdings) is based on the Company's total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this proposed ordinary resolution is passed after adjusting for new share arising from the conversion or exercise of convertible securities, the exercise of share options or the vesting of share awards outstanding or subsisting at the time when this proposed ordinary resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

   This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.

2. The Resolution 7, if passed, will empower the Directors of the Company to offer and grant options under the Edition Employee Share Option Scheme and to allot and issue shares pursuant to the exercise of such shares under the Scheme provided that the aggregate number of shares available pursuant to the Scheme and any other share-based schemes of the Company shall not exceed 15% of the total number of issued shares of the Company (excluding any shares held in treasury and subsidiary holdings) from time to time.

3. The Resolution 8, if passed, will empower the Directors of the Company to offer and grant awards under the Edition Performance Share Plan and to allot and issue shares pursuant to the exercise of such shares under the Share Plan provided that the aggregate number of shares available pursuant to the Share Plan and any other share-based schemes of the Company shall not exceed 15% of the total number of issued shares of the Company (excluding any shares held in treasury and subsidiary holdings) from time to time.

4. The Resolution 9, if passed, will authorise the Directors to make purchases of otherwise acquire shares from time to time subject to and in accordance with the SGX-ST Catalist Rules and such other laws as may for the time being be applicable. This authority will continue in force until the next annual general meeting of the Company, unless previously revoked or varied at a general meeting or when such purchases or acquisitions are carried out to the full extent mandated.

Notes:

1. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the Meeting. Where such member's proxy form appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form. If no percentage is specified, the first named proxy shall be deemed to represent 100% of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.

   (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Relevant intermediary is either:

   (i) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;

   (ii) a person holding a capital markets licence to provide custodial services for securities under the Securities and Future Act, Chapter 289 of Singapore and who holds shares in that capacity; or

   (iii) the Central Provident Fund ("**CPF**") Board established by the Central Provident Fund Act, Chapter 36 of Singapore (the "**CPF Act**"), in respect of shares purchased under the subsidiary legislation made under that CPF Act providing for the making of investments from the contributions and interest standing to the credit of members of the CPF, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

2. A proxy need not be a member of the Company.

3. If the appointor is a corporation, the proxy must be executed under its common seal or under the hand of its representative or attorney duly authorised.

4. The instrument appointing a proxy or proxies must be deposited at the office of the Share Registrar of the Company at 80 Robinson Road, #11-02, Singapore 068898, not less than forty-eight (48) hours before the time set for the Meeting.

Notice of Annual General Meeting

Personal data privacy:

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General 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) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) 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), 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) of the personal data of such proxy(ies) and/or representative(s) for the Purposes.

*This Notice has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this Notice.*

This Notice has not been examined or approved by the SGX-ST 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 Ms Tay Sim Yee, at 1 Robinson Road, #21-00, AIA Tower, Singapore 048542, telephone (65) 6232 3210.

EDITION LTD.
(Company Registration No. 200411873E)
(Incorporated in the Republic of Singapore)

IMPORTANT:
1. Relevant intermediaries as defined in Section 181 of the Act, Chapter 50 may appoint more than two proxies to attend, speak and vote at the Annual General Meeting.
2. For investors who have used their CPF monies to buy Edition Ltd.'s shares, this Report is forwarded to them at the request of the CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
3. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. CPF investors who wish to attend the Annual General Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees.

PROXY FORM

*I/We ______________________________ (Name) ____________________ NRIC/Passport No.

of ____

being * a member/members of Edition Ltd. (the "Company"), hereby appoint:

Name	Address	NRIC/ Passport No.	Proportion of shareholdings to be represented by proxy (%)

*and/or

or failing *him/them, the Chairman of the Meeting as as *my/our *proxy to vote for *me/us on *my/our behalf at the Fourteenth Annual General Meeting of the Company to be held at 78 Gilstead Road, Singapore 309116 on Tuesday, 23 April 2019 at 10.00 a.m. and at any adjournment thereof.

*I/we direct *my/our *proxy/proxies to vote for or against the Ordinary Resolutions to be proposed at the Annual General Meeting as indicated with an "X" in the spaces provided hereunder. If no specified directions as to voting are given, the *proxy/proxies will vote or abstain from voting at *his/their discretion.

No.	Ordinary Resolutions	For	Against
Ordinary Business			
1.	To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 31 December 2018 and the Auditors' Report thereon.		
2.	To approve the Directors' fees of S$81,000 for the financial year ending 31 December 2019, to be paid semi-annually in arrears (2018: S$114,000).		
3.	To re-elect Mr Ong Boon Chuan as a Director of the Company.		
4.	To re-elect Mr Hor Siew Fu as a Director of the Company.		
5.	To re-appoint Messrs Nexia TS Public Accounting Corporation, Public Accountants and Chartered Accountants, as Auditors of the Company and to authorise the Directors to fix their remuneration.		
Special Business			
6.	To authorise Directors to allot and issue shares.		
7.	To authorise Directors to grant options and issue shares under the Edition Employee Share Option Scheme.		
8.	To authorise Directors to grant awards and issue shares under the Edition Performance Share Plan.		
9.	To approve the renewal of general mandate of share purchase.		

Dated this __________ day of ________________ 2019

Total Number of Shares Held

____
Signature(s) of Member(s)/Common Seal

** Delete accordingly*

IMPORTANT. Please read notes overleaf

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 Future Act, Chapter 289), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number of shares is inserted, this proxy form will be deemed to relate to all the shares held by you.

2. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the Meeting. Where such member's proxy form appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form. If no percentage is specified, the first named proxy shall be deemed to represent 100% of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.

   (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's proxy form appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50.

3. A proxy need not be a member of the Company.

4. The Company shall be entitled: (a) to reject any instrument of proxy executed by a Depositor if the Depositor's name does not appear in the Depository register seventy-two (72) hours prior to the commencement of the relevant Meeting as certified by The Central Depository (Pte) Ltd ("CDP") to the Company; and (b) for the purpose of a poll, to treat an instrument of proxy executed by a Depositor as representing the number of shares equal to the number of shares appearing against his name in the Depository Register referred to in (a) above, notwithstanding the number of shares actually specified in the relevant instrument of proxy.

5. The instrument appointing a proxy or proxies must be deposited at the office of the Share Registrar of the Company at 80 Robinson Road #11-02, Singapore 068898, not less than forty-eight (48) hours before the time set for the Meeting.

6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its representative or attorney duly authorised. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must be lodged with the instrument of proxy, failing which, the instrument may be treated as invalid.

7. A corporation which is a Member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50.

8. The Company shall be entitled to reject any instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy.

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 8 April 2019.

AFFIX
STAMP

The Share Registrar
EDITION LTD.
80 Robinson Road #11-02
Singapore 068898

Edition Ltd.
ACRA No. 200411873E

Incorporated in the Republic of Singapore
on 16 September 2004

Principal Place of Business
78 Gilstead Road
Singapore 309116

Tel: 65 6440 6633
Fax: 65 6258 1081