

## Half Year Financial Statements And Dividend Announcement for the Period Ended 30 June 2015 (Unaudited)

## PART I INFORMATION REQUIRED FOR ANNOUNCEMENT OF HALF YEAR RESULTS ENDED 30 JUNE 2015

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

Group	HY2015 US\$'000	HY2014 US\$'000	Increase / (Decrease) %
Revenue	836	922	-9%
Other income - net	258	127	103%
Expenses:			
Employees compensation	(1,379)	(1,196)	15%
Rental expense on operating lease	(9)	(1)	800%
Depreciation, amortisation and impairment charges	(97)	(114)	-15%
Subcontractor fees	(184)	(246)	-25%
Professional fees	(272)	(221)	23%
Finance costs	(86)	(112)	-23%
Other expenses	(254)	(143)	77%
Total expenses	(2,281)	(2,033)	12%
Share of results of associated companies	139	619	-78%
Loss before income tax	(1,048)	(365)	187%
Income tax (expense)/credit	(38)	6	NM
<b>Net loss</b>	<b>(1,086)</b>	<b>(359)</b>	<b>203%</b>
<b>Attributable to:</b>			
Equity holders of the Company	(1,069)	(359)	198%
Non-controlling interests	(17)	-	NM
	<b>(1,086)</b>	<b>(359)</b>	<b>203%</b>

NM - Not meaningful

## 1(a)(ii) Consolidated Statement of comprehensive income for the six months ended 30 June 2015

	HY2015 US\$'000	HY2014 US\$'000	Increase / (Decrease) %
<b>Net loss</b>	<b>(1,086)</b>	<b>(359)</b>	<b>203%</b>
<b>Other comprehensive (losses)/income:</b>			
Items that may be reclassified subsequently to profit or loss:			
Available-for-sale, financial assets			
- Fair value gains	408	353	16%
Share of other comprehensive income of associated company	5	-	NM
Currency translation differences arising from consolidation	(545)	331	NM
Other comprehensive (losses)/income, net of tax	(132)	684	NM
<b>Total comprehensive (losses)/income for the period</b>	<b>(1,218)</b>	<b>325</b>	<b>NM</b>
<b>Attributable to:</b>			
Equity holders of the Company	(1,251)	325	NM
Non-controlling interests	33	-	NM
	<b>(1,218)</b>	<b>325</b>	<b>NM</b>
<b>Loss per share attributable to:</b>			
Equity holders of the Company (USD cents per share)	(0.29)	(0.23)	26%

1(a)(iii) Extraordinary/Exceptional Items  
Nil.1(a)(iv) Adjustments for under or over provision of tax in respect of prior years  
There were no material adjustments for under or overprovision of tax in respect of prior years.

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

	<b>Group</b>		<b>Company</b>	
	<b>As at 30 June 2015</b>	<b>As at 31 December 2014</b>	<b>As at 30 June 2015</b>	<b>As at 31 December 2014</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	4,144	4,541	3,239	2,746
Trade and other receivables	686	427	1,260	611
	<b>4,830</b>	<b>4,968</b>	<b>4,499</b>	<b>3,357</b>
<b>Non-current assets</b>				
Investment Property	3,987	4,151	-	-
Property, plant and equipment	1,856	1,860	14	5
Intangible assets	1	1	-	-
Investment in associated companies	3,329	3,440	-	-
Investment in subsidiaries	-	-	5,236	7,267
Available-for-sale financial assets	2,320	2,100	-	-
Transferable club memberships (cost)	65	66	-	-
Other receivables	125	33	-	-
Land development right	687	741	-	-
	<b>12,370</b>	<b>12,392</b>	<b>5,250</b>	<b>7,272</b>
<b>Total assets</b>	<b>17,200</b>	<b>17,360</b>	<b>9,749</b>	<b>10,629</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	362	1,113	224	351
Borrowings	-	-	174	174
	<b>362</b>	<b>1,113</b>	<b>398</b>	<b>525</b>
<b>Non-current liabilities</b>				
Borrowings	4,929	5,061	354	365
Retirement benefits	550	431	-	-
Other payables	210	216	-	-
	<b>5,689</b>	<b>5,708</b>	<b>354</b>	<b>365</b>
<b>Total liabilities</b>	<b>6,051</b>	<b>6,821</b>	<b>752</b>	<b>890</b>
<b>NET ASSETS</b>	<b>11,149</b>	<b>10,539</b>	<b>8,997</b>	<b>9,739</b>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the company</b>				
Share capital	17,553	17,553	17,553	17,553
Treasury shares	(994)	(994)	(994)	(994)
Other reserves	(208)	(26)	(837)	(641)
Accumulated losses	(6,760)	(5,994)	(6,725)	(6,179)
	<b>9,591</b>	<b>10,539</b>	<b>8,997</b>	<b>9,739</b>
Non-controlling interests	1,558	-	-	-
<b>Total equity</b>	<b>11,149</b>	<b>10,539</b>	<b>8,997</b>	<b>9,739</b>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities**

	<b>As at 30 June 2015</b>	<b>As at 31 December 2014</b>
	<b>US\$'000</b>	<b>US\$'000</b>
Amount repayable in one year		
Secured	-	-
Unsecured	-	-
Amount repayable after one year		
Secured	4,929	5,061
Unsecured	-	-
	<b>4,929</b>	<b>5,061</b>

**Details of any collaterals**

The credit facilities for the Group were secured by the following:

- Land, building and investment property of its 77%-owned subsidiary, Onion Holdings Co., Ltd (Previously known as Oniontech Co., Ltd.).

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

	HY2015 US\$'000	HY2014 US\$'000
<b>Cash flows from operating activities</b>		
<b>Net loss</b>	<b>(1,086)</b>	<b>(359)</b>
Adjustments for:		
Income tax	38	(6)
Amortisation, depreciation and impairment	97	114
Gain on disposal of available-for-sale financial assets	(183)	(7)
Interest income	(5)	(33)
Interest expense	86	133
Provision for retirement benefits	143	150
Share of results of associated companies	(139)	(619)
Currency translation differences	83	27
	<u>(966)</u>	<u>(600)</u>
Change in working capital		
Trade and other receivables	(685)	966
Trade and other payables	(758)	(58)
Cash used in operations	<u>(2,409)</u>	<u>308</u>
Interest received	5	16
Tax paid	(38)	-
<b>Net cash (used in)/provided by operating activities</b>	<u><b>(2,442)</b></u>	<u><b>324</b></u>
<b>Cash flows from investing activities</b>		
Additions to property, plant and equipment	(86)	(32)
Purchases of available-for-sale financial assets	(1,858)	(503)
Redemption of preference shares from an associated company	187	-
Proceeds from disposal of available-for-sale financial assets	1,625	262
Proceeds from disposal of subsidiary without loss of control	2,149	-
Increase in short-term bank deposits pledged	-	(6)
Proceeds from loan receivables	-	7
Restricted government grant funds	-	17
Payments for retirement benefits	-	(7)
Loans to staff and third party	334	-
<b>Net cash provided by/(used in) investing activities</b>	<u><b>2,351</b></u>	<u><b>(262)</b></u>
<b>Cash flows from financing activities</b>		
Repayment of borrowings	(132)	(493)
Interest paid	(86)	(112)
<b>Net cash used in financing activities</b>	<u><b>(218)</b></u>	<u><b>(605)</b></u>
<b>Net decrease in cash and cash equivalents</b>	<b>(309)</b>	<b>(543)</b>
Cash and cash equivalents at the beginning of the financial year	4,541	1,303
Effects of currency translation on cash and cash equivalents	(88)	38
<b>Cash and cash equivalents at the end of the financial year</b>	<u><b>4,144</b></u>	<u><b>798</b></u>
<b>Note:</b>		
<b>For the purpose of consolidated cash flow statement, cash and cash equivalents comprise the following:</b>		
Bank and cash balances per balance sheet	4,144	804
Less: short-term bank deposits pledged	-	(6)
Cash and cash equivalents per consolidated cash flow statements	<u><b>4,144</b></u>	<u><b>798</b></u>

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

Group	Attributable to equity holders of the Company					Non-controlling Interests US\$'000	Total equity US\$'000
	Share capital	Treasury shares	Other reserves	(Accumulated losses)			
	US\$'000	US\$'000	US\$'000	US\$'000			
<b>Balance at 1 January 2015</b>	17,553	(994)	(26)	(5,994)	-	10,539	
<b>Disposal of interest in a subsidiary without lost of control</b>	-	-	-	303	1,525	1,828	
<b>Total comprehensive (loss)/income for the period</b>	-	-	(182)	(1,069)	33	(1,218)	
<b>Balance at 30 June 2015</b>	<u>17,553</u>	<u>(994)</u>	<u>(208)</u>	<u>(6,760)</u>	<u>1,558</u>	<u>11,149</u>	
<b>Balance at 1 January 2014</b>	12,667	(994)	344	(4,414)	-	7,603	
<b>Total comprehensive income/(loss) for the period</b>	-	-	684	(359)	-	325	
<b>Balance at 30 June 2014</b>	<u>12,667</u>	<u>(994)</u>	<u>1,028</u>	<u>(4,773)</u>	<u>-</u>	<u>7,928</u>	
<b>Company</b>	<b>Share capital</b>	<b>Treasury shares</b>	<b>Other reserves</b>	<b>(Accumulated losses)</b>	<b>Total equity</b>		
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000		
<b>Balance at 1 January 2015</b>	17,553	(994)	(641)	(6,179)	9,739		
<b>Total comprehensive loss for the period</b>	-	-	(196)	(546)	(742)		
<b>Balance at 30 June 2015</b>	<u>17,553</u>	<u>(994)</u>	<u>(837)</u>	<u>(6,725)</u>	<u>8,997</u>		
<b>Balance at 1 January 2014</b>	12,667	(994)	-	(5,294)	6,379		
<b>Total comprehensive loss for the period</b>	-	-	-	(157)	(157)		
<b>Balance at 30 June 2014</b>	<u>12,667</u>	<u>(994)</u>	<u>-</u>	<u>(5,451)</u>	<u>6,222</u>		

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

There were no changes in the Company's share capital and treasury shares as at 31 December 2014 and 30 June 2015. As at 30 June 2015, the outstanding call option shares and arrangement shares that may be issued upon allotment and issuance of the call option shares pursuant to the exercise of the call option under the placement entered by the Company on 21 February 2014 (the "Placement") were 210,000,000 shares ("Call Option Shares") and 5,000,000 shares ("Arrangement Shares"). There were no changes of the outstanding convertibles as compared to 31 December 2014.

Subsequent to 30 June 2015, the Company has completed a rights issue in which 2,138,515,740 shares have been allotted and issued ("Rights Issue"). Accordingly, the Call Option Shares will be adjusted in accordance to the adjustment mechanisms in the Placement. The financial impact arising from the Rights Issue will be reported in the full year results announcement.

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

	As at 30 June 2015	As at 31 December 2014
Total number of issued shares excluding treasury shares ('000)	372,408	372,408
Total number of treasury shares ('000)	12,374	12,374

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

There was no sale, transfer, disposal, cancellation and/or use of treasury shares.

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

The figures for the financial period ended 30 June 2015 reported on have not been audited or reviewed.

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

Not applicable.

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

Except as disclosed in Note 5 below, the Group has applied substantially the same accounting policies and methods of computation as disclosed in the financial year ended 31 December 2014.

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

The Group adopted various new/revised Financial Reporting Standards (FRS) and Interpretations of FRSs (INT FRSs) which took effect for the financial year beginning on 1 January 2015. The adoption of these new/revised FRS and INT FRSs did not result in any significant impact on the financial statements of the Group.

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

	HY2015 USD cents	HY2014 USD cents
(a) Based on the weighted average number of ordinary shares in issue; and	(0.29)	(0.23)
(b) On a fully diluted basis (detailing any adjustments made to the losses).	(0.29)	(0.23)

The basic and diluted EPS were the same as the outstanding Call Option Shares and Arrangement Shares have not been included in the calculation of diluted EPS as these Call Option Shares and Arrangement Shares are out-of-the-money.

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

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

	Group		Company	
	As at 30 June 2015	As at 31 December 2014	As at 30 June 2015	As at 31 December 2014
Net asset value (US\$'000)	9,591	10,539	8,997	9,739
Ordinary shares in issue ('000)	372,408	372,408	372,408	372,408
Net asset value/Share (USD cents)	2.58	2.83	2.42	2.62

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

#### **Income Statement**

Revenue decreased by 9% from US\$0.92 million in the first half financial year ended 30 June 2014 ("HY2014") to US\$0.84 million in the first half financial year ended 30 June 2015 ("HY2015") as a result of decreasing business activities volume from the Group's operation in the software solutions segment. The property development segment has yet to contribute any revenue in HY2015.

Other income increased by US\$0.13 million or 103% from US\$0.13 million in HY2014 to US\$0.26 million in HY2015, mainly due to higher gain from disposal of available-for-sales assets ("AFS") in HY2015.

Total expenses increased by 12% from US\$2.03 million in HY2014 to US\$2.28 million in HY2015, mainly due to an increase in employees compensation following the establishment of the property development segment since FY2014 and business development costs incurred in relation to the diversification. Other expenses increased by 77% from US\$0.14 million in HY2014 to US\$0.25 million in HY2015 due to increase in business development activities for the property development segment in HY2015. The changes of other general operating expenses did not contribute significantly to the change of total expenses between HY2015 and HY2014.

Share of results of associated companies has decreased from US\$0.62 million in HY2014 to US\$0.14 million in HY2015, mainly due to reduction of profit contribution from the main associated company, T.S. Investment Corp. ("TSI").

As a result of the above, the Group registered a net loss before tax of US\$1.05 million in HY2015, as compared with a net loss of US\$0.37 million in HY2014. Tax expense of US\$0.04 million incurred in HY2015 was due to disposal of the 23% interest in Onion Holdings Co., Ltd.

#### **Balance Sheet and Statement of Cash Flow**

Compared to 31 December 2014, the Group's cash and cash equivalent balances have decreased by US\$0.40 million, from US\$4.54 million to US\$4.14 million as at 30 June 2015. Compared to 31 December 2014, the increase in trade and other receivables from US\$0.43 million to US\$0.69 million as at 30 June 2015 was mainly due to deposits placed for property development project in Kelantan, Malaysia.

Increase of available-for-sale financial assets by US\$0.22 million was due to an increase in fair value. Investment property has decreased from US\$4.15 million to US\$3.99 million mainly due to depreciation and translation difference as the investment property was denominated in Korean Won. Other non-current receivables have increased from US\$0.03 million as at 31 December 2014 to US\$0.13 million as at 30 June 2015 which arises from loan to employees. Land development right decreased by US\$0.05 million due to translation loss as the asset was denominated in Ringgit Malaysia.

Trade and other payables decreased from US\$1.11 million as at 31 December 2014 to US\$0.36 million as at 30 June 2015, which was in line with lower business volume in the Korea division. Increase in retirement benefits from US\$0.43 million as at 31 December 2014 to US\$0.55 million as at 30 June 2015 was mainly due to recognition of service costs in HY2015.

As a result of the above, net current assets of the Group stood at US\$4.47 million as at 30 June 2015, improved by US\$0.62 million as compared to the previous comparative period.

The inflows and outflows of cash are detailed in the Group Consolidated Cashflow Statement. The net cash outflow from operating activities was mainly due to operating expenses incurred by the software solutions segment in Korea and the new property division established in Singapore since FY2014. Net cash inflow from investing activities was mainly due to disposal of interest in Onion Holdings Co., Ltd in HY2015. Net cash used in financing activities of US\$0.22 million was mainly due to repayment of bank borrowings. As a result of the above, the Group's cash and cash equivalents as at the end of HY2015 was US\$4.14 million.

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

There was no prospect statement or forecast made previously.

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

The Group has already established a management team for our office in Kelantan, Malaysia in the first half of 2015. Subsequently, we have finalised architecture design and initial planning for the first high-rise development project. The focus of the Group now is placed on obtaining development and construction permits for the project. Separately, we are also in discussion for other potential opportunities with various business partners in Kelantan. In Singapore, the Group will continue to source for suitable property development opportunities. With the completion of the Rights Issue which raised S\$21.34 million gross proceeds in July 2015, this will place us in a better position for future investments.

For the Group's business in Korea, in line with the cost management measures, the management has successfully curtailed the pace of general expenditure and improved the cost efficiency of the operation. As a result, operating losses arising from the Korea operation has been reduced. In view of the continuing loss over the years, the Group is also weighing up the option for a potential disposal of the Korea subsidiaries.

The Group has also obtained the mandate on diversification into high-tech agricultural business in the last EGM. The management has been exploring various options and conducting feasibility studies for the new segment.

11. **If a decision regarding dividend has been made:-**

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

**Any dividend recommended for the current financial period reported on?**

None.

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

None.

**(c) Date Payable**

Not applicable

**(d) Books closure date**

Not applicable

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

No dividend has been declared/recommended for the half year ended 30 June 2015.

13. **If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under**

Company has not obtained any general mandate from shareholders for interested person transactions.

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 shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
NIL	NIL	NIL

14. **Use of proceeds from Placement and Rights Issue**

Placement

The net proceeds from the Placement (refer to note 1(d)(ii)), which was completed on 21 July 2014 was approximately S\$6.0 million, the utilisation of the proceeds is as follows:

Description	Amount allocated (\$ million)	Amount utilised (\$ million)	Balance (\$ million)
Exploration of the property development business	5.4	(1.3)	4.1
General working capital*	0.6	(0.6)	-
<b>Total</b>	<b>6.0</b>	<b>(1.9)</b>	<b>4.1</b>

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

The net proceeds from the Rights Issue (refer to note 1(d)(ii)), which was completed on 08 July 2015 was approximately S\$21.1 million, the utilisation of the proceeds is as follows:

Description	Amount allocated (\$ million)	Amount utilised (\$ million)	Balance (\$ million)
Exploration of the property development business	12.1	-	12.1
General corporate activities	5.0	-	5.0
General working capital*	4.0	(0.2)	3.8
<b>Total</b>	<b>21.1</b>	<b>(0.2)</b>	<b>20.9</b>

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.

\* General working capital mainly consist of employees compensation, professional fees and other administrative expenses.

**Confirmation by the Board on financial results pursuant to Rule 705 (5) of Section B: Rules of Catalist of the Listing Manual of the Singapore Exchange Securities Trading Limited**

We, Ong Boon Chuan and Lee Jei Hoon, being directors of Edition Ltd ("the Company") do hereby confirm for and on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the half year ended 30 June 2015 to be false and misleading in any material aspects.

**By Order of the Board**

**Ong Boon Chuan**  
Executive Chairman and Chief Executive Officer

**Lee Jei Hoon**  
Executive Director

**12 August 2015**

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

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

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