

EDITION LTD.

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

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE

1. INTRODUCTION

- 1.1 The board of directors ("**Board**") of Edition Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**"), wishes to announce that the Company is proposing to undertake a renounceable non-underwritten rights issue (the "**Rights Issue**") of up to 4,699,263,600 new ordinary shares in the capital of the Company (the "**Rights Shares**") at an issue price of S\$0.01 (the "**Issue Price**") for each Rights Share, on the basis of eight (8) Rights Shares for every one (1) existing ordinary share in the capital of the Company ("**Share**") held by the shareholders of the Company (the "**Shareholders**") as at a time and date to be determined by the directors of the Company (the "**Directors**") for the purpose of determining the Shareholders' entitlements under the Rights Issue (the "**Books Closure Date**"), fractional entitlements to be disregarded.
- 1.2 The Company will be seeking specific approval from Shareholders by way of an extraordinary general meeting (the "**EGM**") to be convened for the undertaking of the Rights Issue. A circular (the "**Circular**") setting out, amongst other things, the details of, and other relevant information pertaining to the Rights Issue, together with the notice of the EGM, will be despatched to the Shareholders in due course.

2. PRINCIPAL TERMS OF THE RIGHTS ISSUE

2.1 Basis of Entitlements

The Company is proposing to undertake the Rights Issue, at the Issue Price for each Rights Share on a renounceable basis to Shareholders whose registered addresses with the Company or The Central Depository (Pte) Limited (the "**CDP**"), as the case may be, are in Singapore as at the Books Closure Date, or who have, at least three (3) market days prior to the Books Closure Date, provided to the Company or the CDP, as the case may be, addresses in Singapore for the service of notices and documents (the "**Entitled Shareholders**").

Rights Shares are offered on the basis of eight (8) Rights Shares for every one (1) existing Share held as at the Books Closure Date.

Fractional entitlements to the Rights Shares will be disregarded in arriving at the Entitled Shareholder's provisional allotments of Rights Shares and will, together with the provisional allotment of Rights Shares which are not taken up or allotted for any reason, be aggregated and allotted to satisfy excess applications for Rights Shares (if any), or disposed of or

otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company.

Entitled Shareholders will be at liberty to accept (in full or in part), decline, or otherwise renounce or trade (during the provisional allotment trading period prescribed by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”)) their provisional allotment of Rights Shares and will be eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue (the “**Excess Rights Shares**”).

In the allotment of Excess Rights Shares, preference will be given to Entitled Shareholders in satisfaction of their application for Excess Rights Shares, if any, provided that where there are insufficient Excess Rights Shares to allot to each application, the Company shall allot the Excess Rights Shares to Entitled Shareholders such that preference will be given to the rounding of odd lots, and the Directors and substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board, will rank last in priority. The Company will also not make any allotment and issue of any Excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

The Rights Shares are payable in full upon acceptance and application by Entitled Shareholders. The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Rights Shares. For this purpose, a “**record date**” means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which the Shareholders must be registered with the Company or CDP, as the case may be, in order to participate in such dividends, rights, allotments or other distributions.

The Rights Issue is renounceable and Entitled Shareholders who do not wish to subscribe for the Rights Shares may sell their provisional entitlements (the “**Rights**”) during the “nil-paid” Rights trading period.

2.2 Number of Rights Shares

As at the date of this Announcement, the issued share capital of the Company (excluding treasury shares) comprises 372,407,950 Shares (the “**Existing Share Capital**”). In addition:

- (a) pursuant to a placement and call option agreement dated 21 February 2014 entered into between the Company and B&L Group Pte. Ltd. (“**B&L Group**”), the Company has granted to B&L Group an option to subscribe for 195,000,000 Shares (the “**Call Option 1 Shares**”) at an option exercise price of S\$0.03 for each Call Option 1 Share (“**Call Option 1**”);

- (b) pursuant to a placement and call option agreement dated 21 February 2014 entered into between the Company and Mr. Choo Uihwan (“**Mr. Choo**”), the Company has granted to Mr Choo an option to subscribe for 15,000,000 Shares (the “**Call Option 2 Shares**”) at an option exercise price of S\$0.03 for each Call Option 2 Share (“**Call Option 2**”); and
- (c) pursuant to an agreement dated 21 February 2014 entered into between the Company and Mr. Won Dae Ro (the “**Arranger**”), 5,000,000 Shares credited as fully paid (the “**Arrangement Shares**”) are to be issued to the Arranger upon the issuance of the Call Option 1 Shares to B&L Group pursuant to the exercise of Call Option 1 by B&L Group.

Call Option 1 and Call Option 2 may be exercised on or prior to the Books Closure Date. In the event Call Option 1 and Call Option 2 are exercised and the Call Option 1 Shares, the Call Option 2 Shares and the Arrangement Shares are issued, the issued share capital of the Company (excluding treasury shares) will increase to 587,407,950 Shares.

Based on the Existing Share Capital and assuming that only Mr. Ong (as defined below) procures the subscription of (i) B&L Group’s *pro-rata* entitlement of 1,560,000,000 Rights Shares, and (ii) Mdm Kok’s (as defined below) *pro-rata* entitlement of 279,728,000 Rights Shares, pursuant to the Irrevocable Undertaking (as defined below), the Company will issue 1,839,728,000 Rights Shares under the Rights Issue (the “**Minimum Subscription Scenario**”). Based on the Existing Share Capital and assuming that (i) Call Option 1 and Call Option 2 are exercised and all the Call Option 1 Shares, the Call Option 2 Shares and the Arrangement Shares are issued on or prior to the Books Closure Date, and (ii) the Rights Issue is fully subscribed, the Company will issue 4,699,263,600 Rights Shares under the Rights Issue (the “**Maximum Subscription Scenario**”).

2.3 Issue Price

The Issue Price of S\$0.01 per Rights Share represents a discount of approximately 57% to the last traded price of S\$0.023 for Shares traded on the Catalist Board of the SGX-ST (the “**Catalist Board**”) on 10 March 2015, being the market day immediately preceding this Announcement on which Shares were traded on the Catalist Board.

2.4 Option to Scale Down

Depending on the level of subscription for the Rights Shares, the Company will, if necessary, and upon the approval of the SGX-ST, scale down the subscription and/or excess applications for the Rights Shares by any of the substantial Shareholders (if such substantial Shareholder chooses to subscribe for its *pro-rata* Rights Shares entitlement and/or apply for Excess Rights Shares) to avoid placing the relevant substantial Shareholder and parties acting in concert with it (as defined in the Singapore Code on Take-overs and Mergers (the “**Code**”)) in the position of incurring a mandatory general offer obligation under the Code as a result of other Shareholders not taking up their Rights Shares entitlements fully.

2.5 Further Information

The terms and conditions of the Rights Issue are subject to such changes as the Directors may in their absolute discretion deem fit. The final terms and conditions of the Rights Issue will be contained in the Circular and the offer information statement (the “**Offer Information Statement**”) to be despatched by the Company to Entitled Shareholders in due course.

3. **CONDITIONS TO THE RIGHTS ISSUE**

3.1 The Rights Issue is subject to, *inter alia*, the following:

- (a) Shareholders’ approval for the Rights Issue being obtained at the EGM;
- (b) the receipt of the listing and quotation notice from the SGX-ST for the listing and quotation of the Rights Shares on the Catalist Board (and such approval not having been withdrawn or revoked on or prior to the Books Closure Date) and if such approval is granted subject to conditions, such conditions being acceptable to the Company; and
- (c) the lodgement of the Offer Information Statement, together with all other accompanying documents (if applicable), with the SGX-ST acting as agent on behalf of the Monetary Authority of Singapore (“**MAS**”).

3.2 The Circular, containing further information on the Rights Issue, will be despatched to Entitled Shareholders in due course.

3.3 SAC Capital Private Limited, acting as Sponsor to, and on behalf of the Company, will be making an application to the SGX-ST for the permission to deal in and for the listing of and quotation for the Rights Shares on the Catalist Board.

3.4 The Offer Information Statement will also be lodged with the SGX-ST, acting as agent on behalf of the MAS and despatched to Entitled Shareholders in due course after, *inter alia*, receipt of the listing and quotation notice from the SGX-ST.

3.5 Appropriate announcements in relation to the above application, lodgement and despatch will be made in due course.

4. **RATIONALE FOR THE RIGHTS ISSUE AND USE OF PROCEEDS**

4.1 The Company is undertaking the Rights Issue to strengthen the financial position and capital base of the Group. The Rights Issue will also provide the Shareholders with an opportunity to further participate in the equity of the Company, and will allow the Group to be less reliant on external sources of funding. The Group is also exploring various business opportunities which, together with existing core business activities, may help to build a more balanced and well-diversified portfolio for the Group. A stronger financial position will enable the Group to

expeditiously undertake such new business opportunities and also facilitate other financing options (such as debt financing).

- 4.2 The net proceeds arising from the Rights Issue, after deducting estimated expenses of approximately S\$0.20 million, is approximately (i) S\$18.20 million in the Minimum Subscription Scenario, and (ii) S\$46.79 million in the Maximum Subscription Scenario.
- 4.3 The Company believes that the Issue Price of S\$0.01 for each Rights Share is attractive, and in the opinion of the Directors, there is no minimum amount that needs to be raised from the Rights Issue taking into consideration the intended use of proceeds. The net proceeds, based on the Minimum Subscription Scenario, will be sufficient to meet the Company's present funding requirements.
- 4.4 In view of the Irrevocable Undertaking (as defined below) and after taking into consideration the cost of engaging an underwriter and having to pay commission in relation to the underwriting, the Directors decided that it is not feasible and practicable for the Rights Issue to be underwritten.
- 4.5 The intended use of the net proceeds (in the following order of priority) are set out below:

Proceeds from the Rights Issue and use of proceeds	Minimum Subscription Scenario		Maximum Subscription Scenario	
	In S\$ million	Percentage allocation	In S\$ million	Percentage allocation
Gross proceeds	18.40	100%	46.99	100%
Less: estimated expenses	0.20	1.09%	0.20	0.43%
Net proceeds	18.20	98.91%	46.79	99.57%
Use of proceeds				
1. Exploration of the property development business	9.20	50%	37.79	80.42%
2. To fund general corporate activities in the ordinary course of business including but not limited to acquisitions, joint ventures and/or for strategic alliances and expansion of existing core business and subject to required approvals, diversification into new business/projects as and when opportunities arise	5.00	27.17%	5.00	10.64%
3. General Working capital	4.00	21.74%	4.00	8.51%

- 4.6 Pending deployment, the net proceeds from the Rights Issue may be deposited with banks and/or financial institutions, or used for any other purpose on a short-term basis as the Directors may, in their absolute discretion, deem fit.
- 4.7 The Company will make periodic announcements on the use of proceeds from the Rights Issue as and when the funds are materially disbursed, as well as provide status reports on the use of proceeds from the Rights Issue in the Company's annual reports until such time the proceeds have been fully utilised.
- 4.8 The Directors are of the opinion that:
- (a) after taking into consideration the present bank facilities, the working capital available to the Group is sufficient to meet its present requirements. Nevertheless, the Company is undertaking the Rights Issue to strengthen its financial position and capital base of the Group. Please refer to the above paragraph on the intended use of proceeds for further information; and
 - (b) after taking into consideration the present bank facilities and the net proceeds of the Rights Issue, the working capital available to the Group is sufficient to meet its present requirements.

5. UNDERTAKINGS

- 5.1 As at the date of this Announcement:
- (a) B&L Group has a direct interest in 195,000,000 Shares (the "**B&L Group Existing Shares**"), representing approximately 52.36% of the Existing Share Capital. Mr. Ong Boon Chuan ("**Mr. Ong**"), the Executive Chairman and Chief Executive Officer of the Company, is deemed interested in the B&L Group Existing Shares by virtue of his 70% shareholding in B&L Group. Mr. Ong has a direct interest in 70 ordinary shares in the capital of B&L Group (the "**B&L Group Shares**"), representing 70% of the issued share capital of B&L Group. Madam Kok Lee Kuen ("**Mdm Kok**"), Mr. Ong's wife, holds the remaining 30% of B&L Group; and
 - (b) Mdm Kok has a direct interest in 34,966,000 Shares (the "**Mdm Kok Existing Shares**"), representing approximately 9.39% of the Existing Share Capital.
- 5.2 To demonstrate his support for the Rights Issue, Mr. Ong has provided an irrevocable undertaking dated 12 March 2015 in favour of the Company (the "**Irrevocable Undertaking**"), pursuant to which he will:
- (a) not, during the period commencing from the date of the Irrevocable Undertaking, until the issue and listing on the Catalist Board of the Rights Shares, offer, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, rights or warrant to purchase, lend, transfer or

otherwise dispose of, any of or any interest in, the B&L Group Shares, or announce any intention to undertake any of the foregoing and that his registered and beneficial shareholding in B&L Group as at the Books Closure Date will not be less than the B&L Group Shares;

- (b) procure that B&L Group will not, during the period commencing from the date of the Irrevocable Undertaking, until the issue and listing on the Catalist Board of the Rights Shares, offer, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, rights or warrant to purchase, lend, transfer or otherwise dispose of, any of or any interest in, the B&L Group Existing Shares, or announce any intention to undertake any of the foregoing and that B&L Group's registered and beneficial shareholding in the Company as at the Books Closure Date will not be less than the B&L Group Existing Shares;
 - (c) procure that Mdm Kok will not, during the period commencing from the date of the Irrevocable Undertaking, until the issue and listing on the Catalist Board of the Rights Shares, offer, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, rights or warrant to purchase, lend, transfer or otherwise dispose of, any of or any interest in, the Mdm Kok Existing Shares, or announce any intention to undertake any of the foregoing and that Mdm Kok's registered and beneficial shareholding in the Company as at the Books Closure Date will not be less than the Mdm Kok Existing Shares;
 - (d) procure that B&L Group will subscribe and pay in full for its *pro-rata* entitlement of 1,560,000,000 Rights Shares;
 - (e) procure that Mdm Kok will subscribe and pay in full for her *pro-rata* entitlement of 279,728,000 Rights Shares;
 - (f) provide B&L Group with S\$15,600,000 for the purposes of subscribing for its *pro-rata* entitlement of 1,560,000,000 Rights Shares; and
 - (g) provide Mdm Kok with S\$2,797,280 for the purposes of subscribing for her *pro-rata* entitlement of 279,728,000 Rights Shares.
- 5.3 Mr. Ong will furnish to the Company in due course a confirmation from a financial institution that he has sufficient financial resources to fulfil his obligations under the Irrevocable Undertaking.
- 5.4 The obligations of Mr. Ong under the Irrevocable Undertaking are subject to the following conditions:
- (a) Shareholders' approval for the Rights Issue being obtained at the EGM;

- (b) the receipt of the listing and quotation notice from the SGX-ST for the listing and quotation of the Rights Shares on the Catalist Board (and such approval not having been withdrawn or revoked on or prior to the Books Closure Date) and if such approval is granted subject to conditions, such conditions being acceptable to the Company; and
- (c) the lodgement of the Offer Information Statement, together with all other accompanying documents (if applicable), with the SGX-ST acting as agent on behalf of the MAS.

6. ELIGIBILITY TO PARTICIPATE IN THE RIGHTS ISSUE

6.1 Entitled Depositors

Shareholders whose securities accounts with CDP are credited with Shares as at 5.00 p.m. (Singapore time) on the Books Closure Date (the “**Depositors**”) will be provisionally allotted Rights Shares on the basis of the number of Shares standing to the credit of their securities accounts with CDP as at 5.00 p.m. (Singapore time) on the Books Closure Date.

To be “**Entitled Depositors**”, Depositors must have registered addresses in Singapore with CDP as at the Books Closure Date or if they have registered addresses outside Singapore, they must provide CDP, at 9 North Buona Vista Drive, #1-19/20 The Metropolis, Singapore 138588, with addresses in Singapore no later than 5.00 p.m. (Singapore time) on the date being three (3) market days prior to the Books Closure Date, in order to receive their provisional allotments of Rights Shares.

6.2 Entitled Scripholders

Shareholders whose Shares are not registered in the name of CDP but whose names appear in the Register of Members of the Company with registered addresses in Singapore as at 5.00 p.m. (Singapore time) on the Books Closure Date (the “**Scripholders**”) will be provisionally allotted Rights Shares on the basis of the number of Shares held by them as stated in the Register of Members of the Company as at 5.00 p.m. (Singapore time) on the Books Closure Date.

To be “**Entitled Scripholders**”, Scripholders must have registered addresses in Singapore with the Company as at the Books Closure Date or if they have registered addresses outside Singapore, they must provide the share registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.) (the “**Share Registrar**”), at 80 Robinson Road, #02-00, Singapore 068898 with addresses in Singapore no later than 5.00 p.m. (Singapore time) on the date being three (3) market days prior to the Books Closure Date, in order to receive their provisional allotments of Rights Shares.

Duly completed and stamped transfers (in respect of Shares not registered in the name of CDP), together with all relevant documents of title, so as to be received up to 5.00 p.m. on

the Books Closure Date by the Share Registrar, will be registered to determine the transferee's provisional allotments of Rights Shares entitlements.

6.3 Central Provident Fund Investment Scheme

Persons who bought their Shares previously using their Central Provident Fund account savings ("**CPF Funds**") may only use their CPF Funds for the payment of the Issue Price to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares, subject to the applicable rules and regulations of the Central Provident Fund. Such persons who wish to accept their provisional allotments of Rights Shares will need to instruct their respective approved banks where they hold their CPF Investment Accounts, to accept their provisional allotment of Rights Shares and (if applicable) apply for the Excess Rights Shares on their behalf in accordance with the Offer Information Statement. CPF Funds may not, however, be used for the purchase of the provisional allotments of the Rights Shares directly from the market.

6.4 Foreign Shareholders

For practical reasons and in order to avoid any violation of the relevant legislation applicable in countries other than Singapore, the Rights Shares will not be offered to Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, by 5.00 p.m. (Singapore time) on the date being three (3) market days prior to the Books Closure Date, provided to CDP or the Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents (the "**Foreign Shareholders**"). As such, no provisional allotments of the Rights Shares will be made to, and no purported acceptance thereof and application therefor by, Foreign Shareholders will be valid.

If it is practicable to do so, arrangements may be made, at the discretion of the Company, for provisional allotments of Rights Shares which would otherwise be provisionally allotted to Foreign Shareholders to be sold "nil-paid" on the SGX-ST as soon as practicable after dealings in the provisional allotments of Rights Shares commence and the net proceeds therefrom will be dealt with in accordance with the terms set out in the Offer Information Statement to be issued by the Company for the Rights Issue.

7. **ADJUSTMENTS TO CALL OPTION SHARES**

As a result of the Rights Issue, adjustments may be made to the number and/or exercise price of the Call Option 1 Shares and the Call Option 2 Shares. The Company will in due course make the relevant announcement in respect of such adjustments.

8. **INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

Save as disclosed herein, none of the Directors and substantial Shareholders has any interests, direct or indirect, in the Rights Issue, other than through each of their respective shareholding interests, direct and/or indirect, in the Company.

9. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Announcement constitutes full and true disclosure of all material facts about the Rights Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Announcement misleading. Where information in this Announcement 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 Announcement in its proper form and context.

BY ORDER OF THE BOARD
EDITION LTD.

Ong Boon Chuan
Executive Chairman and Chief Executive Officer
12 March 2015

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

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

The contact person for the Sponsor is Ms. Alicia Kwan (Telephone: (65) 6532 3829) at 1 Robinson Road, #21-02, AIA Tower, Singapore 048542.