

EDITION LIMITED

Company Registration No. 200411873E

Unaudited Half Year Financial Statements And Dividend Announcement for the Period Ended 30 June 2020**PART I: INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR RESULTS**

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	HY 2020 \$'000	HY 2019 \$'000	Change %
Revenue	84	59	42
Other gains	367	243	51
Expenses:			
Employees compensation	(763)	(870)	(12)
Change in inventories	11	23	(52)
Purchases of inventories	(78)	(47)	66
Rental expense on operating lease	(18)	(24)	(25)
Amortisation and depreciation	(104)	(273)	(62)
Professional fees	(148)	(123)	20
Finance costs	(5)	(7)	(29)
Other expenses	(190)	(270)	(30)
Total expenses	(1,295)	(1,591)	(19)
Loss before income tax	(844)	(1,289)	(35)
Income tax expense	-	-	NM
Net loss for the period	(844)	(1,289)	(35)
Other comprehensive (loss)/income, after tax :			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences on translation of financial statements of foreign subsidiaries	(7)	8	NM
Other comprehensive (loss)/income for the period, net of tax	(7)	8	NM
Total comprehensive loss for the period	(851)	(1,281)	(34)
Net loss attributable to :			
Equity holders of the Company	(844)	(1,245)	(32)
Non-controlling interests	-	(44)	NM
	(844)	(1,289)	(35)
Total comprehensive loss attributable to :			
Equity holders of the Company	(851)	(1,237)	(31)
Non-controlling interests	-	(44)	NM
	(851)	(1,281)	(34)
Loss per share attributable to Equity holders of the Company			
Basic and diluted loss per share (SGD cents per share)	(0.03)	(0.05)	(40)

1(a)(ii) Notes to Consolidated Statement of Comprehensive Income :

	HY 2020 \$'000	HY 2019 \$'000	Change %
Amortisation and depreciation	104	273	(62)
Interest income	(259)	(212)	22
Allowance for doubtful receivables	-	36	NM
Foreign exchange loss	2	1	100

NM - Not meaningful

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

	Group		Company	
	As at 30/6/2020 \$'000	As at 31/12/2019 \$'000	As at 30/6/2020 \$'000	As at 31/12/2019 \$'000
ASSETS				
Current assets				
Cash and cash equivalents	13,002	13,572	12,615	13,256
Trade and other receivables	3,036	3,356	15,314	14,972
Inventories	48	37	-	-
	<u>16,086</u>	<u>16,965</u>	<u>27,929</u>	<u>28,228</u>
Non-current assets				
Property, plant and equipment	1,180	1,126	2	-
Intangible assets	118	120	-	-
Investment in subsidiary corporations	-	-	2,058	2,058
Land development rights	1,132	1,137	-	-
	<u>2,430</u>	<u>2,383</u>	<u>2,060</u>	<u>2,058</u>
Total assets	<u>18,516</u>	<u>19,348</u>	<u>29,989</u>	<u>30,286</u>
LIABILITIES				
Current liabilities				
Lease liabilities	140	145	-	-
Trade and other payables	1,343	1,250	252	221
	<u>1,483</u>	<u>1,395</u>	<u>252</u>	<u>221</u>
Non-current liabilities				
Lease liabilities	114	184	-	-
Provision	45	44	-	-
	<u>159</u>	<u>228</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>1,642</u>	<u>1,623</u>	<u>252</u>	<u>221</u>
Net assets	<u>16,874</u>	<u>17,725</u>	<u>29,737</u>	<u>30,065</u>
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	43,079	43,079	43,079	43,079
Treasury shares	(1,236)	(1,236)	(1,236)	(1,236)
Other reserves	191	198	269	269
Accumulated losses	(25,160)	(24,316)	(12,375)	(12,047)
	<u>16,874</u>	<u>17,725</u>	<u>29,737</u>	<u>30,065</u>
Non-controlling interests	-	-	-	-
Total equity	<u>16,874</u>	<u>17,725</u>	<u>29,737</u>	<u>30,065</u>

* Amount less than \$1,000

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

	As at 30/6/2020		As at 31/12/2019	
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less, or on demand	140	-	145	-
Amount repayable after one year	114	-	184	-

Details of any collaterals

The Group's secured borrowings comprise hire purchase arrangements and lease liabilities which are secured over right-of-use assets included under property, plant and equipment.

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

	HY 2020	HY 2019
	\$'000	\$'000
Cash flows from operating activities		
Net loss before income tax	(844)	(1,289)
Adjustments for:		
Amortisation and depreciation	104	273
Finance costs	5	7
Interest income	(259)	(212)
Allowance for doubtful receivables	-	36
Currency translation differences	(1)	15
Operating cash flow before working capital changes	(995)	(1,170)
Changes in working capital:		
Trade and other receivables	446	67
Inventories	(11)	(23)
Land development rights	(1)	(33)
Trade and other payables	92	229
Cash used in operations	(469)	(930)
Interest received	134	212
Interest paid	(4)	(5)
Net cash used in operating activities	(339)	(723)
Cash flows from investing activities		
Additions to property, plant and equipment	(157)	(490)
Acquisition of additional shares in a subsidiary	-	* -
Net cash used in investing activities	(157)	(490)
Cash flows from financing activities		
Repayment of lease liabilities, representing net cash used in financing activities	(74)	(66)
Net decrease in cash and cash equivalents	(570)	(1,279)
Cash and cash equivalents at beginning of the period	13,572	15,953
Effects of currency translation on cash and cash equivalents	* -	* -
Cash and cash equivalents at end of the period	13,002	14,674

* Amount less than \$1,000

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

Group	← Attributable to equity holders of the Company →					Total \$'000	Non- controlling interest \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Other reserve \$'000	Currency translation reserve \$'000	Accumulated losses \$'000			
At 1 January 2020	43,079	(1,236)	269	(71)	(24,316)	17,725	-	17,725
Total comprehensive gain/(loss) for the financial period	-	-	-	(7)	(844)	(851)	-	(851)
At 30 June 2020	43,079	(1,236)	269	(78)	(25,160)	16,874	-	16,874
At 1 January 2019	43,079	(1,236)	269	(5)	(18,153)	23,954	(121)	23,833
Total comprehensive loss for the financial period	-	-	-	8	(1,245)	(1,237)	(44)	(1,281)
Deemed acquisition of non- controlling interest without a change in control	-	-	-	-	(165)	(165)	165	-
At 30 June 2019	43,079	(1,236)	269	3	(19,563)	22,552	-	22,552

Company	Share capital \$'000	Treasury shares \$'000	Other reserve \$'000	Accumulated losses \$'000	Total equity \$'000
At 1 January 2020	43,079	(1,236)	269	(12,047)	30,065
Total comprehensive loss for the financial period	-	-	-	(328)	(328)
At 30 June 2020	43,079	(1,236)	269	(12,375)	29,737
At 1 January 2019	43,079	(1,236)	269	(11,438)	30,674
Total comprehensive for the financial period	-	-	-	(74)	(74)
At 30 June 2019	43,079	(1,236)	269	(11,512)	30,600

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financing year. State also the number of shares held as treasury shares and subsidiary holdings of the issuer, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Issued and fully paid-up ordinary shares of the Company ("Shares")

Movements in the Company's Shares since 1 January 2020 up to 30 June 2020 were as follows:-

	Number of Shares '000	Issued and paid-up capital \$'000
Balance as at 30 June 2020 and 31 December 2019 excluding treasury shares	2,510,924	41,843

Share Options and Performance Shares

Pursuant to Edition Employee Share Option Scheme (the "**Scheme**") and Edition Performance Share Plan (the "**Plan**"), which were approved at the extraordinary general meeting of the Company held on 21 November 2017, a total of 35,448,335 share options and 8,862,084 awards were granted by the Company on 18 December 2017. As at 30 June 2020, the number of shares that may be issued on conversion of outstanding convertibles is 39,168,595 shares (31 December 2019: 39,168,595 shares), if fully vested. As at 30 June 2020, the number of share options and awards that are vested is nil (31 December 2019: nil).

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 30/6/2020	As at 31/12/2019
Total number of issued shares excluding treasury shares ('000)	2,510,924	2,510,924
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 as at the end of the financial period reported on.

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

There was no sale, transfer, disposal, cancellation and/or use of subsidiary holdings as at the end of the financial period reported on.

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

The figures have not been audited or reviewed by the Company's auditors.

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

Not applicable.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

a) Updates on the efforts taken to resolve each outstanding audit issue.

b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern. For avoidance of doubt, if an issuer receives a modified opinion due to various factors (one of which relates to going concern), the updates and confirmation required above will only be applicable to the other factors excluding going concern issues.

Not applicable. The Group's latest audited financial statements for the financial year ended 31 December 2019 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

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 the above and in section 5 below, the Group has applied substantially the same accounting policies and methods of computation as disclosed in the audited financial statements for the financial year ended 31 December 2019.

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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 has adopted all new and revised SFRS(I) that are relevant to its operations and effective for annual reporting period beginning on 1 January 2020. The adoption of the new and revised SFRS(I) have no 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:-**

	HY 2020 SGD cents	HY 2019 SGD cents
(a) Based on the weighted average number of ordinary shares in issue; and	(0.03)	(0.05)
(b) On a fully diluted basis (detailing any adjustments made to the losses).	(0.03)	(0.05)

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 30/6/2020	As at 31/12/2019	As at 30/6/2020	As at 31/12/2019
Net asset value (SGD'000)	16,874	17,725	29,737	30,065
Ordinary shares in issue ('000)	2,510,924	2,510,924	2,510,924	2,510,924
Net asset value/Share (SGD cents)	0.67	0.71	1.18	1.20

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

Half Year 2020 ("HY2020") vs Half Year 2019 ("HY2019")

In HY2020, the Group continued with its focus on optimising farming operations and improving on its production yield of chemical-pesticide free agricultural produce.

The Group revenue for HY2020 increased to \$84,000 from \$59,000 in HY2019 mainly due to improvement in production yield, leading to higher sales.

With the continuous effort to focus on the planting and growing process, as well as pest prevention, the quality and quantity of the agricultural produce has improved as compared to first half 2019.

Other gains was \$0.37 million in HY2020, as compared to \$0.24 million in HY2019, mainly due to government payouts of the Job Support Scheme and Foreign Worker Levy Rebate.

Total expenses for HY2020 decreased by 19% to \$1.30 million, from \$1.59 million in HY2019. This was mainly due to lower overheads incurred for operation in the agricultural segment. The decrease in employees compensation to \$0.76 million in HY2020, from \$0.87 million in HY2019 was mainly due to improvement in staff productivity. Changes in inventories and purchases of inventories in aggregate increased from \$0.02 million to \$0.07 million mainly due to higher cost of sales incurred from higher sales. Amortisation and depreciation for HY2020 decreased by 62% to \$0.10 million, from \$0.27 million in HY2019. This was mainly due to lower depreciation for the greenhouse facility in the agricultural segment and right-of-use assets from lower net book values as a result of the impairment charge in the financial year ended 31 December 2019. Professional fees increased to \$0.15 million from \$0.12 million mainly due to expenses incurred for the cost of carrying out the IPT generate mandate exercise. Other expenses for HY2020 decreased to \$0.19 million from \$0.27 million in HY2019 mainly due to cost reduction efforts and no allowance for doubtful receivables in HY2020 as compared with HY2019.

The Group recorded a gross gain of \$17,000 for HY2020 mainly due to higher sales.

As a result of the above, the Group registered a net loss before tax of \$0.84 million in HY2020, as compared to a net loss of \$1.29 million in HY2019.

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.

Balance sheet and Statement of Cash Flows**Half Year Ended 30 June 2020 ("HY2020") vs Financial Year Ended 31 December 2019 ("FY2019")**

Compared to FY2019, the Group's cash and cash equivalents balance has decreased by \$0.57 million, from \$13.57 million in FY2019 to \$13.00 million in HY2020, mainly due to overheads incurred in the agricultural segment and corporate holding company, partly offset by partial repayment of \$0.5 million from a deposit. Trade and other receivables comprise primarily deposits placed with an unrelated private company for a right to acquire a non-controlling investment interest and loans extended to an unrelated private company. The trade and other receivables decreased by \$0.32 million in HY2020 to \$3.04 million, from \$3.36 million in FY2019 mainly due to the partial repayment of deposit, partly offset by increase in interest receivable from the two unrelated private companies.

Property, plant and equipment increased from \$1.13 million in FY2019 to \$1.18 million in HY2020. The increase was mainly due to purchase of plant and equipment, partly offset by depreciation.

Trade and other payables increased from \$1.25 million in FY2019 to \$1.34 million in HY2020 mainly due to higher purchases.

As a result of the above, net assets of the Group stood at \$16.87 million in HY2020.

The inflows and outflows of cash are detailed in the Group Consolidated Statement of Cash Flows. The net cash outflow from operating activities for HY2020 and HY2019 was mainly due to overheads incurred in the agricultural segment and corporate holding company, partly offset by partial repayment of deposit. Changes in working capital was mainly due to the partial repayment of deposit during the half year. Net cash outflow from investing activities was mainly due to purchases of plant and equipment for the high-technology farming. Net cash outflow from financing activities was due to payment of lease liability instalments. As a result of the above, the Group's cash and cash equivalents balance as at the end of HY2020 was \$13.00 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 submitted plans to the Singapore Food Agency ("SFA"), the successor regulatory body of the Agri-Food and Veterinary Authority of Singapore ("AVA"), for the development of the agricultural land parcel of 6 hectares ("New Farm") awarded by AVA. These plans have been endorsed by SFA and URA, subject to regulatory approval from other government agencies. The Group has sought a general IPT mandate for the development of the New Farm and preparations are ongoing. At the same time, the Group has commenced expansion of production capacity on its existing pilot 1-Hectare farm through re-configuration of the site premise layout with completion expected before the end of the financial year.

During 1H2020, the Group received Job Support Scheme and Foreign Worker Levy Rebate Scheme payouts from the COVID-19 support measures of the government. Such measures will continue in the next 6 months. The Group continues to stay alert to the development and situation of the COVID-19 pandemic with the aim of riding through it with caution including taking necessary actions to mitigate any impact.

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 of Payable : Not applicable

(d) Books closure date : Not applicable

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

No dividend has been declared as the Group recorded net loss in HY2020 and it is more appropriate to conserve funds for the Group's business activities and development.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company has obtained a general mandate from shareholders for interested person transactions on 23 June 2020.

Below is the table detailing the value of the interested person transactions for the financial period ended 30 June 2020:

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under Shareholder's mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under Shareholder's mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	S\$'000	S\$'000
B&L Group Pte Ltd, a company owned by associates of Mr Ong Boon Chuan, who is the Executive 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.	47	-
Thye Chuan Engineering Construction Co Pte Ltd, a company owned by associates of Mr Ong Boon Chuan, who is the Executive Director and controlling shareholder of Edition Ltd. Scope of services: supply of labour for construction of greenhouse and maintenance by MEOD Pte Ltd.	114	-
TC Logistics Hub Pte Ltd, a company owned by associates of Mr Ong Boon Chuan, who is the Executive Director and controlling shareholder of Edition Ltd. Scope of services: Rental of area 7D at 7 Tuas South (Plot 33) Street 11 Singapore 637091.	2	-

As at 30 June 2020, the aggregate value of the transactions entered into with the same interested person amounted to S\$163,000 and this is less than 3% of the group's latest audited net tangible assets.

14. Confirmation by the Board Pursuant to Rule 705(5)

We, Toh See Kiat and Ong Boon Chuan, being two Directors of the Company, do hereby confirm on behalf of the 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 unaudited financial statements for the half year ended 30 June 2020 to be false or misleading in any material aspect.

15. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company confirms that its has procured undertakings from all its directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

16. Use of proceeds from Placement and Rights Issue

Placement

The net proceeds from the Placement, which was completed on 21 July 2014 was approximately \$6.0 million and pursuant to the circular dated 6 November 2017 and the announcement dated 12 August 2020 on re-allocation of funds, the utilisation of the proceeds is as follows:

Description	Amount allocated as stated in the circular dated 6 November 2017 (\$ million)	Amount utilised as at 30 June 2020 (\$ million)	Amount re-allocated (\$ million)	Amount unutilised as at 30 June 2020 (\$ million)
Exploration of the property development business	5.4	(3.6)	(1.8)	-
General working capital*	0.6	(0.6)	1.8	1.8
Total	6.0	(4.2)	-	1.8

* (a) Placement proceeds utilised for general working capital mainly consist of: employees' compensation, professional fees and other administrative expenses - \$0.6 million

(b) Amount re-allocated from Property Development Business to general working capital purposes will be used to fund the agricultural business, which is currently the core business of the Group.

The use of net proceeds from the Placement is in accordance with the intended use as set out in the circular dated 6 November 2017.

Rights Issue

The net proceeds from the Rights Issue, which was completed on 8 July 2015 was approximately \$21.1 million. In the Circular dated 6 November 2017, subsequent to the withdrawal from the property development business, the funds have been re-allocated. Pursuant to the announcement dated 12 August 2020, the funds have been further re-allocated. The utilisation of the proceeds is as follows:

Description	Amount allocated as stated in the circular dated 6 November 2017 (\$ million)	Amount utilised as at 30 June 2020 (\$ million)	Amount re-allocated (\$ million)	Amount unutilised as at 30 June 2020 (\$ million)
Exploration of the property development business	3.9	-	(3.9)	-
General corporate activities #	11.2	(9.1)	3.9	6.0
General working capital*	6.0	(4.3)	-	1.7
Total	21.1	(13.4)	-	7.7

General corporate activities include but not limited to acquisitions, joint ventures and/or for strategic alliances and expansion of existing core business.

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

The use of net proceeds from the Rights Issue is in accordance with the intended use as set out in the circular dated 6 November 2017.

17. Disclosures on Acquisition and Realisation of Shares pursuant to Catalyst Rule 706A

There were no acquisition or realisation of shares in any of the Group's subsidiary or associated company nor incorporation of any new subsidiary or associated company by the Company or any of the Group's entities during 1H2020.

By Order of the Board

Ong Boon Chuan

Executive Director and Chief Executive Officer

12 August 2020

This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor").

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (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 Tay Sim Yee, at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542, telephone: (65) 6232 3210.