

EDITION LIMITED

Company Registration No. 200411873E

Unaudited Half Year Financial Statements And Dividend Announcement for the Period Ended 30 June 2019**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 2019 \$'000	HY 2018 \$'000	Change %
Revenue	59	4	> 100
Other gains	243	112	> 100
Expenses:			
Employees compensation	(870)	(960)	(9)
Change in inventories	23	-	NM
Purchases of inventories	(47)	(108)	(56)
Rental expense on operating lease	(24)	(120)	(80)
Amortisation and depreciation	(273)	(178)	53
Professional fees	(123)	(173)	(29)
Finance costs	(7)	-	NM
Other expenses	(270)	(81)	> 100
Total expenses	(1,591)	(1,620)	(2)
Loss before income tax	(1,289)	(1,504)	(14)
Income tax expense	-	-	NM
Net loss for the period	(1,289)	(1,504)	(14)
Other comprehensive income/(loss), after tax :			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences on translation of financial statements of foreign subsidiaries	8	(16)	NM
Other comprehensive income/(loss) for the period, net of tax	8	(16)	NM
Total comprehensive loss for the period	(1,281)	(1,520)	(16)
Net loss attributable to :			
Equity holders of the Company	(1,245)	(1,457)	(15)
Non-controlling interests	(44)	(47)	(6)
	(1,289)	(1,504)	(14)
Total comprehensive loss attributable to :			
Equity holders of the Company	(1,237)	(1,473)	(16)
Non-controlling interests	(44)	(47)	(6)
	(1,281)	(1,520)	(16)
Loss per share attributable to Equity holders of the Company			
Basic and diluted loss per share (SGD cents per share)	(0.05)	(0.06)	(17)

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

	HY 2019 \$'000	HY 2018 \$'000	Change %
Amortisation and depreciation	273	178	53
Interest income	(212)	(101)	> 100
Allowance for doubtful receivables	36	-	NM
Foreign exchange loss	1	-	NM

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 30/6/2019 \$'000	As at 31/12/2018 \$'000	As at 30/6/2019 \$'000	As at 31/12/2018 \$'000
ASSETS				
Current assets				
Cash and cash equivalents	14,674	15,953	14,224	15,460
Trade and other receivables	3,488	3,591	14,461	13,341
Inventories	38	15	-	-
	<u>18,200</u>	<u>19,559</u>	<u>28,685</u>	<u>28,801</u>
Non-current assets				
Property, plant and equipment	4,401	3,789	-	*-
Intangible assets	120	121	-	1
Investment in subsidiary corporations	-	-	2,058	2,058
Land development rights	1,056	1,030	-	-
	<u>5,577</u>	<u>4,940</u>	<u>2,058</u>	<u>2,059</u>
Total assets	<u>23,777</u>	<u>24,499</u>	<u>30,743</u>	<u>30,860</u>
LIABILITIES				
Current liabilities				
Finance lease liabilities	133	21	-	-
Trade and other payables	798	567	143	186
	<u>931</u>	<u>588</u>	<u>143</u>	<u>186</u>
Non-current liabilities				
Finance lease liabilities	251	37	-	-
Provision	43	41	-	-
	<u>294</u>	<u>78</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>1,225</u>	<u>666</u>	<u>143</u>	<u>186</u>
Net assets	<u>22,552</u>	<u>23,833</u>	<u>30,600</u>	<u>30,674</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	272	264	269	269
Accumulated losses	(19,563)	(18,153)	(11,512)	(11,438)
	<u>22,552</u>	<u>23,954</u>	<u>30,600</u>	<u>30,674</u>
Non-controlling interests	-	(121)	-	-
Total equity	<u>22,552</u>	<u>23,833</u>	<u>30,600</u>	<u>30,674</u>

* Amount less than \$1,000

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

	As at 30/6/2019		As at 31/12/2018	
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less, or on demand	133	-	21	-
Amount repayable after one year	251	-	37	-

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 2019 \$'000	HY 2018 \$'000
Cash flows from operating activities		
Net loss before income tax	(1,289)	(1,504)
Adjustments for:		
Amortisation and depreciation	273	178
Finance costs	7	-
Interest income	(212)	(101)
Allowance for doubtful receivables	36	-
Share-based payment expenses	-	123
Currency translation differences	15	(35)
Operating cash flow before working capital changes	(1,170)	(1,339)
Changes in working capital:		
Trade and other receivables	67	(975)
Inventories	(23)	-
Land development rights	(33)	(44)
Trade and other payables	229	91
Cash used in operations	(930)	(2,267)
Interest received	212	101
Interest paid	(5)	-
Net cash used in operating activities	(723)	(2,166)
Cash flows from investing activities		
Additions to property, plant and equipment	(490)	(1,015)
Acquisition of additional shares in a subsidiary	* -	-
Net cash used in investing activities	(490)	(1,015)
Cash flows from financing activities		
Repayment of finance lease liabilities, representing net cash used in financing activities	(66)	-
Net decrease in cash and cash equivalents	(1,279)	(3,181)
Cash and cash equivalents at beginning of the period	15,953	21,395
Effects of currency translation on cash and cash equivalents	* -	(2)
Cash and cash equivalents at end of the period	14,674	18,212

* 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 2019	43,079	(1,236)	269	(5)	(18,153)	23,954	(121)	23,833
Total comprehensive gain/(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
At 1 January 2018	43,079	(1,236)	10	(16)	(14,048)	27,789	(1,106)	26,683
Total comprehensive loss for the financial period	-	-	-	(16)	(1,457)	(1,473)	(47)	(1,520)
Share-based payment	-	-	123	-	-	123	-	123
Deemed acquisition of non-controlling interest without a change in control	-	-	-	-	(998)	(998)	1,099	101
At 30 June 2018	43,079	(1,236)	133	(32)	(16,503)	25,441	(54)	25,387
Company	Share capital \$'000	Treasury shares \$'000	Other reserve \$'000	Accumulated losses \$'000	Total equity \$'000			
At 1 January 2019	43,079	(1,236)	269	(11,438)	30,674			
Total comprehensive loss for the financial period	-	-	-	(74)	(74)			
At 30 June 2019	43,079	(1,236)	269	(11,512)	30,600			
At 1 January 2018	43,079	(1,236)	10	(9,599)	32,254			
Total comprehensive for the financial period	-	-	-	(521)	(521)			
Share-based payment	-	-	123	-	123			
At 30 June 2018	43,079	(1,236)	133	(10,120)	31,856			

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, 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 2019 up to 30 June 2019 were as follows:-

	Number of Shares '000	Issued and paid-up capital \$'000
Balance as at 30 June 2019 and 31 December 2018 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 2019, the number of shares that may be issued on conversion of outstanding convertibles is 44,310,419 shares (31 December 2018: 44,310,419 shares), if fully vested. As at 30 June 2019, the number of share options and awards that are vested is nil (31 December 2018: 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 30/6/2019	As at 31/12/2018
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.

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 2018.

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 SFRS(I) 16 Leases with effect from 1 January 2019.

The Group has applied the practical expedient on existing operating leases with recognition of a lease liability and corresponding recognition of a right-of-use asset at the date of initial recognition on 1 January 2019. For existing operating leases with lease term ending within 12 months from 1 January 2019, the Group has elected to account for the leases in the same way as a short-term lease.

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 2019 SGD cents	HY 2018 SGD cents
(a) Based on the weighted average number of ordinary shares in issue; and	(0.05)	(0.06)
(b) On a fully diluted basis (detailing any adjustments made to the losses).	(0.05)	(0.06)

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 30/6/2019	As at 31/12/2018	As at 30/6/2019	As at 31/12/2018
Net asset value (SGD'000)	22,552	23,954	30,600	30,674
Ordinary shares in issue ('000)	2,510,924	2,510,924	2,510,924	2,510,924
Net asset value/Share (SGD cents)	0.90	0.95	1.22	1.22

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 2019 ("HY2019") vs Half Year 2018 ("HY2018")

Group revenue for HY2019 increased to \$59,000 from \$4,000 in HY2018 due to sale of our high-quality, safe and hygienic, pesticide-free and premium farm produce as compared to a low base in HY2018.

In HY2019, the Group continued with its focus on optimising farming operations and raising the quality of produce to maintain at pesticide free for the agricultural produce with a view to building consumers' confidence backed by consistent delivery of high quality produce.

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 2018.

Other gains was \$0.24 million in HY2019, as compared to \$0.11 million in HY2018, mainly due to interest income received from loans to an unrelated private company during the half year.

Total expenses for HY2019 decreased by 2% to \$1.59 million, from \$1.62 million in HY2018. This was mainly due to lower overheads incurred for operation in the agricultural segment. The decrease in employees compensation to \$0.87 million in HY2019, from \$0.96 million in HY2018 was mainly due to lower headcount. Changes in inventories and purchases of inventories in aggregate decreased from \$0.11 million to \$0.02 million mainly due to result of optimisation of farming operations resulting in better harvests. Amortisation and depreciation for HY2019 increased by 53% to \$0.27 million, from \$0.18 million in HY2018. This was mainly due to depreciation for the greenhouse facility in the agricultural segment and right-of-use assets. Other expenses increased to \$0.27 million, from \$0.08 million in HY2018 mainly due to provision for past due trade receivables and increase in utilities cost and accommodation provided to farm staff.

The Group recorded a gross gain \$35,000 for HY2019 mainly due to higher sales over a lower costs of sales.

As a result of the above, the Group registered a net loss before tax of \$1.29 million in HY2019, as compared to a net loss of \$1.50 million in HY2018.

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 2019 ("HY2019") vs Financial Year Ended 31 December 2018 ("FY2018")**

Compared to FY2018, the Group's cash and cash equivalents balance has decreased by \$1.28 million, from \$15.95 million in FY2018 to \$14.67 million in HY2019, mainly due to overheads incurred in the agricultural segment and corporate holding company. 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 \$0.10 million in HY2019 to \$3.49 million, from \$3.59 million in FY2018 mainly due to interest received from loans extended to an unrelated private company and provision for past due trade receivables.

Property, plant and equipment increased from \$3.79 million in FY2018 to \$4.40 million in HY2019. The increase was mainly due to purchase of plant and equipment for farm operations and recognition of right-of-use assets.

Trade and other payables increased from S\$0.57 million in FY2018 to S\$0.80 million in HY2019 mainly due to purchases of plant and equipment on credit.

As a result of the above, net assets of the Group stood at \$22.55 million in HY2019, a reduction of \$1.28 million as compared to FY2018.

The inflows and outflows of cash are detailed in the Group Consolidated Statement of Cash Flows. The net cash outflow from operating activities for HY2019 and HY2018 was mainly due to overheads incurred in the agricultural segment and corporate holding company. Changes in working capital was mainly due to collections from receivables and increase in payables during the half year. Net cash outflow from investing activities was mainly due to purchases of plant and equipment for the high-technology farming. As a result of the above, the Group's cash and cash equivalents balance as at the end of HY2019 was \$14.67 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.**

As announced on 7 June 2019, MEOD Pte Ltd ("MEOD") has become a wholly-owned subsidiary of the Company. The Group has, since then, been actively building up the sales channels of MEOD for its agricultural produce.

The Group has submitted plans to 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, subject to regulatory approval from other government agencies. The Group will be adopting a phased approach to develop the New Farm, with the final phase expected to be completed by late 2022.

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 HY2019 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 not obtained any general mandate from shareholders for interested person transactions.

Below is the table detailing the value of the interested person transactions for the financial period ended 30 June 2019:

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 902)	Aggregate value of all interested person transactions conducted under Shareholder's mandate pursuant to Rule 902 (excluding transactions less than S\$100,000)
	SS'000	SS'000
TG Management Pte Ltd, a company owned by associates of Mr Ong Boon Chuan, a director 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, a director of Edition Ltd. Scope of services: supply of labour for construction of greenhouse and maintenance by MEOD Pte Ltd.	270	-
TC Logistics Hub Pte Ltd, a company owned by associates of Mr Ong Boon Chuan, a director 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 2019, the aggregate value of the transactions entered into with the same interested person amounted to S\$319,000 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, Ong Boon Chuan and Hor Siew Fu, 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 2019 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, the utilisation of the proceeds is as follows:

Description	Amount allocated per the circular dated 24 June 2014 (\$ million)	Amount utilised as at 30 June 2019 (\$ million)	Amount unutilised as at 30 June 2019 (\$ million)
Exploration of the property development business [^]	5.4	(3.5)	1.9
General working capital*	0.6	(0.6)	-
Total	6.0	(4.1)	1.9

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, which was completed on 8 July 2015 was approximately \$21.1 million. In Circular dated 6 November 2017, subsequent to the withdrawal of property development business, the funds allocation has been reallocated. The utilisation of the proceeds is as follows:

Description	Amount allocated per the circular dated 20 May 2015 (\$ million)	Amount reallocated per the circular dated 6 November 2017 (\$ million)	Revised allocation (\$ million)	Amount utilised as at 30 June 2019 (\$ million)	Amount unutilised as at 30 June 2019 (\$ million)
Exploration of the property development business [^]	12.1	(8.2)	3.9	-	3.9
General corporate activities	5.0	6.2	11.2	(7.8)	3.4
General working capital*	4.0	2.0	6.0	(3.5)	2.5
Total	21.1	-	21.1	(11.3)	9.8

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 Circular dated 6 November 2017.

[^] As stated in the Circular dated 6 November 2017, the remaining funds of S\$6.0 million that was initially allocated for the Property Development Business, will still be reserved to develop the project in Malaysia, should the Company decides to proceed to develop the project.

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

By Order of the Board

Ong Boon Chuan

Executive Chairman and Chief Executive Officer

14 August 2019

This announcement 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 ("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 Tay Sim Yee, at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542, telephone: (65) 6232 3210.