

EDITION LIMITED

Company Registration No. 200411873E

Unaudited Full Year Financial Statements And Dividend Announcement for the Year Ended 31 December 2018**PART I: INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL-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	FY 2018 \$'000	FY 2017 \$'000	Change %
Revenue	46	540	(91)
Other gains	295	256	15
Expenses:			
Employees compensation	(2,139)	(1,776)	20
Change in inventories	8	(1)	NM
Purchases of inventories	(223)	(314)	(29)
Rental expense on operating lease	(162)	(185)	(12)
Amortisation and depreciation	(390)	(242)	61
Professional fees	(262)	(243)	8
Finance costs	(1)	-	NM
Other expenses	(393)	(265)	48
Total expenses	(3,562)	(3,026)	18
Loss before income tax	(3,221)	(2,230)	44
Income tax expense	-	-	NM
Net loss for the financial year	(3,221)	(2,230)	44
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	11	(30)	NM
Other comprehensive income/(loss) for the financial year, net of tax	11	(30)	NM
Total comprehensive loss for the financial year	(3,210)	(2,260)	42
Net loss attributable to :			
Equity holders of the Company	(2,766)	(1,656)	67
Non-controlling interests	(455)	(574)	(21)
	(3,221)	(2,230)	44
Total comprehensive loss attributable to :			
Equity holders of the Company	(2,755)	(1,686)	63
Non-controlling interests	(455)	(574)	(21)
	(3,210)	(2,260)	42
Loss per share attributable to Equity holders of the Company			
Basic and diluted loss per share (SGD cents per share)	(0.11)	(0.07)	57

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

	FY 2018 \$'000	FY 2017 \$'000	Change %
Amortisation and depreciation	390	242	61
Interest income	(267)	(232)	15

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 31/12/2018 \$'000	As at 31/12/2017 \$'000	As at 31/12/2018 \$'000	As at 31/12/2017 \$'000
ASSETS				
Current assets				
Cash and cash equivalents	15,953	21,395	15,460	20,992
Trade and other receivables	3,591	1,882	13,341	10,358
Inventories	15	7	-	-
	<u>19,559</u>	<u>23,284</u>	<u>28,801</u>	<u>31,350</u>
Non-current assets				
Property, plant and equipment	3,789	2,994	*-	3
Intangible assets	121	116	1	2
Investment in subsidiary corporations	-	-	2,058	1,051
Land development rights	1,030	981	-	-
	<u>4,940</u>	<u>4,091</u>	<u>2,059</u>	<u>1,056</u>
Total assets	<u>24,499</u>	<u>27,375</u>	<u>30,860</u>	<u>32,406</u>
LIABILITIES				
Current liabilities				
Finance lease liabilities	21	-	-	-
Trade and other payables	567	651	186	152
	<u>588</u>	<u>651</u>	<u>186</u>	<u>152</u>
Non-current liabilities				
Finance lease liabilities	37	-	-	-
Provision	41	41	-	-
	<u>78</u>	<u>41</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>666</u>	<u>692</u>	<u>186</u>	<u>152</u>
Net assets	<u>23,833</u>	<u>26,683</u>	<u>30,674</u>	<u>32,254</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	264	(6)	269	10
Accumulated losses	(18,153)	(14,048)	(11,438)	(9,599)
	<u>23,954</u>	<u>27,789</u>	<u>30,674</u>	<u>32,254</u>
Non-controlling interests	(121)	(1,106)	-	-
Total equity	<u>23,833</u>	<u>26,683</u>	<u>30,674</u>	<u>32,254</u>

* Amount less than \$1,000

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

Details of any collaterals

There was no external borrowing and debt securities as at 31 December 2018 and 31 December 2017.

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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.

	Note	FY 2018 \$'000	FY 2017 \$'000
Cash flows from operating activities			
Net loss before income tax		(3,221)	(2,230)
Adjustments for:			
Amortisation and depreciation		390	242
Interest income		(267)	(232)
Share-based payment expenses		259	10
Currency translation differences		29	(56)
Operating cash flow before working capital changes		(2,810)	(2,266)
Changes in working capital:			
Trade and other receivables		(1,709)	(1,508)
Inventories		(8)	1
Land development rights		(53)	(27)
Trade and other payables		17	(72)
Cash used in operations		(4,563)	(3,872)
Interest received		267	232
Net cash used in operating activities		(4,296)	(3,640)
Cash flows from investing activities			
Additions to property, plant and equipment	A	(1,134)	(1,083)
Additions to intangible assets		(8)	-
Net cash used in investing activities		(1,142)	(1,083)
Cash flows from financing activities			
Repayment of finance lease liabilities, representing net cash used in financing activities		(4)	-
Net decrease in cash and cash equivalents		(5,442)	(4,723)
Cash and cash equivalents at beginning of financial year		21,395	26,114
Effects of currency translation on cash and cash equivalents		-	4
Cash and cash equivalents at end of financial year		15,953	21,395

Note to Consolidated Statement of Cash Flows:

- A During the financial year, the Group acquired property, plant and equipment with an aggregate cost of \$1,196,000 (31 December 2017: \$1,083,000) of which \$62,000 (31 December 2017: \$Nil) was financed by means of finance lease. Cash payment of \$1,134,000 (31 December 2018: \$1,083,000) was made to purchase property, plant and equipment.

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Unaudited Full Year Financial Statements And Dividend Announcement for the Year Ended 31 December 2018

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 2018	43,079	(1,236)	10	(16)	(14,048)	27,789	(1,106)	26,683
Total comprehensive loss for the financial year	-	-	-	11	(2,766)	(2,755)	(455)	(3,210)
Share-based payment	-	-	259	-	-	259	-	259
Deemed acquisition of non- controlling interest without a change in control	-	-	-	-	(1,339)	(1,339)	1,440	101
At 31 December 2018	43,079	(1,236)	269	(5)	(18,153)	23,954	(121)	23,833
At 1 January 2017	43,079	(1,236)	-	14	(12,392)	29,465	(532)	28,933
Total comprehensive loss for the financial year	-	-	-	(30)	(1,656)	(1,686)	(574)	(2,260)
Share-based payment	-	-	10	-	-	10	-	10
At 31 December 2017	43,079	(1,236)	10	(16)	(14,048)	27,789	(1,106)	26,683
Company	Share capital \$'000	Treasury shares \$'000	Other reserve \$'000	Accumulated losses \$'000	Total equity \$'000			
At 1 January 2018	43,079	(1,236)	10	(9,599)	32,254			
Total comprehensive loss for the financial year	-	-	-	(1,839)	(1,839)			
Share-based payment	-	-	259	-	259			
At 31 December 2018	43,079	(1,236)	269	(11,438)	30,674			
At 1 January 2017	43,079	(1,236)	-	(9,296)	32,547			
Total comprehensive loss for the financial year	-	-	-	(303)	(303)			
Share-based payment	-	-	10	-	10			
At 31 December 2017	43,079	(1,236)	10	(9,599)	32,254			

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Unaudited Full Year Financial Statements And Dividend Announcement for the Year Ended 31 December 2018

- 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 2018 up to 31 December 2018 were as follows:-

	Number of Shares '000	Issued and paid-up capital S\$'000
Balance as at 31 December 2018 and 31 December 2017 excluding treasury shares	2,510,924	43,079

2014 Adjustment Call Options ("2014 Call Options")

The 2014 Call Options expired on 20 February 2018. There are no outstanding of call option shares and arranger shares as at 31 December 2018 (31 December 2017: 2014 Call Options outstanding at 325,701,415 shares, Arranger Shares outstanding at 5,000,000).

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 31 December 2018, the number of shares that may be issued on conversion of outstanding convertibles is 44,310,419 shares (31 December 2017: 44,310,419 shares), if fully vested. As at 31 December 2018, the number of share options and awards that are vested is nil (31 December 2017: 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 31/12/2018	As at 31/12/2017
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 year 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 year 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.**

The Group has changed its presentation currency from USD to SGD with effect from 1 July 2017. With 100% of the Group's turnover being derived from Singapore and denominated in SGD, the Group's management is of the view that it is more appropriate for the Group to adopt the SGD as the presentation currency. The change also aligned the presentation currency with the Company's functional currency. In accordance with Singapore Financial Reporting Standards, comparative figures are also presented in SGD.

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 2017.

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 Singapore Financial Reporting Standards (International) ("SFRS(I)") that are effective for annual periods beginning on or after 1 January 2018.

The adoption of SFRS(I) did not result in substantial changes to the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

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:-**

	FY 2018	FY 2017
	SGD cents	SGD cents
(a) Based on the weighted average number of ordinary shares in issue; and	(0.11)	(0.07)
(b) On a fully diluted basis (detailing any adjustments made to the losses).	(0.11)	(0.07)

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	As at	As at	As at
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
Net asset value (SGD'000)	23,954	27,789	30,674	32,254
Ordinary shares in issue ('000)	2,510,924	2,510,924	2,510,924	2,510,924
Net asset value/Share (SGD cents)	0.95	1.11	1.22	1.28

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

Financial Year 2018 ("FY2018") vs Financial Year 2017 ("FY2017")

Group revenue for FY2018 decreased by 91% to \$46,000 from \$540,000 in FY2017 which was due to lower revenue contribution from the sale of our agricultural produce and third party agricultural products. The lower revenue compared to FY2017 was due to the Group's decision to produce high-quality, safe and hygienic, pesticide-free and premium products. To achieve this, the Group implemented a more stringent growing process and quality checks. This has resulted in the discarding and loss of unsatisfactory crops and hence reduced the Group's revenue.

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

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 gradually improved as compared to the first half 2018.

Other gains was \$0.3 million in FY2018, as compared to \$0.26 million in FY2017, mainly due to interest income received from loans to an unrelated private company during the financial year.

Total expenses for FY2018 increased by 18% to \$3.56 million, from \$3.03 million in FY2017. This was mainly due to additional overheads incurred for operation in the agricultural segment. The increase in employees compensation to \$2.14 million in FY2018, from \$1.78 million was largely due to recognition of share-based payment expenses of \$0.26 million in FY2018 (FY2017: \$10,000). Purchases of inventories for FY2018 decreased by 29% to \$0.22 million, from \$0.31 million in FY2017, which was mainly due to decrease in the consumables used in the agricultural segment. Amortisation and depreciation for FY2018 increased by 61% to \$0.39 million, from \$0.24 million in FY2017. This was mainly due to depreciation for the greenhouse facility in the agricultural segment. Other expenses increase by 48% to \$0.39 million, from \$0.27 million in FY2017 which was mainly due to increase in utilities cost and accommodation provided to farm staff.

The Group incurred a gross loss of \$169,000 for FY2018. This gross loss arose due to the reasons mentioned above relating to the greenhouse farm in Kranji.

As a result of the above, the Group registered a net loss before tax of \$3.22 million in FY2018, as compared with a net loss of \$2.23 million in FY2017.

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**Financial Year Ended 31 December 2018 ("FY2018") vs Financial Year Ended 31 December 2017 ("FY2017")**

Compared to FY2017, the Group's cash and cash equivalent balances have decreased by \$5.45 million, from \$21.4 million in FY2017 to \$15.95 million in FY2018, mainly due to overheads incurred in the agricultural segment and loans extended to an unrelated private company. Trade and other receivables comprise primarily deposits placed with an unrelated private company for a right to acquire a non-controlling investment interest in FY2017 and loans extended to an unrelated private company. The trade and other receivables increased by \$1.71 million in FY2018 to \$3.59 million, from \$1.88 million in FY2017 which was mainly due to the loans extended to an unrelated private company.

Property, plant and equipment has increased from \$2.99 million in FY2017 to \$3.79 million in FY2018. The increase was mainly due to the consideration paid for the land parcel at Neo Tiew Harvest Lane.

There was no substantial change in the Group's liabilities between FY2018 and FY2017.

As a result of the above, net assets of the Group stood at \$23.83 million in FY2018, a reduction of \$2.86 million as compared to FY2017.

The inflows and outflows of cash are detailed in the Group Consolidated Statement of Cash Flows. The net cash outflow from operating activities for FY2018 and FY2017 was mainly due to operating expenses which was largely attributable to business development expenses incurred by the agricultural segment. Changes in working capital was mainly due to loans being extended during the financial year. Net cash outflow from investing activities was mainly due to payment for the acquisition of the land parcel at Neo Tiew Harvest Lane. As a result of the above, the Group's cash and cash equivalents as at the end of FY2018 was \$15.95 million.

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 24 January 2019, MEOD Pte Ltd ("MEOD"), a subsidiary of the Company, has been appointed as the authorized exclusive distributor for the products of Season Farm Technology Co., Ltd ("Season Farm") in the ASEAN region. The Company envisages the sales and distribution partnership will create opportunities to expand MEOD's agricultural footprint in the ASEAN region. Leveraging on the partnership, the Company believes that it will pave the way for further business and technology collaboration opportunities with other established agriculture companies outside of Singapore.

The Group has submitted plans for the development of the agricultural land parcel of 6-hectares ("New Farm") awarded by the Agri-Food and Veterinary Authority of Singapore ("AVA"). These plans are pending AVA approval. The Group is adopting a phased approach to develop the New Farm, which will allow the Group better flexibility and effectiveness in the management and deployment of resources and capital requirements, subject to AVA's approval.

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 FY2018 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 year ended 31 December 2018:

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 Shareholder's mandate pursuant to Rule 902) S\$'000	Aggregate value of all interested person transactions conducted under Shareholder's mandate pursuant to Rule 902 (excluding transactions less than S\$100,000) S\$'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.	94	-
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.	163	-

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

PART II: ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. **Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

	Singapore	
	All other segments	
	31/12/2018	31/12/2017
	\$'000	\$'000
Group		
Revenue		
- External parties	46	540
Segment results, representing loss before income tax	(3,221)	(2,230)
Net loss include:		
- Amortisation and depreciation	(390)	(242)
- Interest income	267	232
Segment assets	24,499	27,375
Segment assets include:		
Additions to:		
- Property, plant and equipment	1,196	1,082
- Intangible assets	8	-
- Land development rights	49	27
Segment liabilities	666	692

15. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**
Please refer to Paragraph 8.

16. **A breakdown of sales as follows:-**

	FY 2018 \$'000	FY 2017 \$'000	Change %
(a) Sales reported for first half year	4	286	(99)
(b) Operating loss after tax before deducting minority interests reported for first half year	(1,504)	(954)	58
(c) Sales reported for second half year	42	254	(83)
(d) Operating profit/(loss) after tax before deducting minority interests reported for second half year	(1,717)	(1,276)	35

17. **Breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-**

No dividend has been declared or recommended for FY2018 and FY2017.

18. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Ong Kai Hian	35	Son of Mr Ong Boon Chuan, Executive Chairman & Chief Executive Officer of the Company and controlling shareholder of the Company, and Madam Kok Lee Kuen (Spouse of Mr Ong Boon Chuan and controlling shareholder of the Company).	<p>Appointments made in 2014 Executive Director of:</p> <ul style="list-style-type: none"> - Edition Development Pte Ltd - Edition Global Pte Ltd <p>Appointments made in 2015 Executive Director of:</p> <ul style="list-style-type: none"> - Edition Land Pte Ltd <p>Appointments made in 2016 Non-Executive Director of:</p> <ul style="list-style-type: none"> - Meod Pte Ltd <p>Duties: Oversee the operations and business development functions for the Group</p>	N/A
Ong Kai Hoe	31	Son of Mr Ong Boon Chuan, Executive Chairman & Chief Executive Officer of the Company and controlling shareholder of the Company, and Madam Kok Lee Kuen (Spouse of Mr Ong Boon Chuan and controlling shareholder of the Company).	<p>Appointments made in 2014 Executive Director of:</p> <ul style="list-style-type: none"> - Edition Development Pte Ltd - Edition Global Pte Ltd <p>Appointments made in 2015 Executive Director of:</p> <ul style="list-style-type: none"> - Edition Land Pte Ltd <p>Duties: Oversee the operations and business development functions for the Group</p>	N/A

19. **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 it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Catalyst Rules.

20. Use of proceeds from Placement and Rights IssuePlacement

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 31 December 2018 (\$ million)	Amount unutilised as at 31 December 2018 (\$ million)
Exploration of the property development business [^]	5.4	(3.4)	2.0
General working capital*	0.6	(0.6)	-
Total	6.0	(4.0)	2.0

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

Rights Issue

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 31 December 2018 (\$ million)	Amount unutilised as at 31 December 2018 (\$ million)
Exploration of the property development business [^]	12.1	(8.2)	3.9	-	3.9
General corporate activities	5.0	6.2	11.2	(6.7)	4.5
General working capital*	4.0	2.0	6.0	(3.4)	2.6
Total	21.1	-	21.1	(10.1)	11.0

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 \$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****27 February 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.

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