

TERMINATION OF STRATEGIC PARTNERSHIP INVESTMENT AND CONVERTIBLE LOAN AGREEMENT AND ENTRY INTO A SUBSCRIPTION AGREEMENT AND SHAREHOLDERS' AGREEMENT BY A WHOLLY OWNED SUBSIDIARY

Unless otherwise defined, all capitalised terms used and not defined herein shall bear the same meanings ascribed to them in the Company's announcement dated 1 March 2022 in relation to the entry into the Strategic Partnership Investment and Convertible Loan Agreement with Wholly Greens Pte Ltd by the Company's wholly owned subsidiary, MEOD Pte Ltd (the "Prior Announcement").

1. Introduction

The Board of Directors (the "**Board**") of Edition Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Prior Announcement and wishes to announce that the Company's wholly owned subsidiary, MEOD Pte Ltd, has entered into a subscription agreement (the "**Proposed Subscription**" or the "**Subscription Agreement**") and proposed shareholders' agreement (the "**Shareholders' Agreement**") dated 18 April 2024 (the "**Agreements**") with Wholly Greens Pte Ltd ("**Wholly Greens**"). Upon the completion of the Proposed Subscription, the existing Convertible Loan disbursed pursuant to the Strategic Partnership Investment and Convertible Loan Agreement will be converted to preference shares ("**Preference Shares**") in Wholly Greens (the "**Proposed Conversion**"). At the same time, the Strategic Partnership Investment and Convertible Loan Agreement will be terminated, together with the release and discharge of Wholly Greens from any and all obligations (whether past, present and/or future) in respect of all the terms and conditions in the Strategic Partnership Investment and Convertible Loan Agreement. Upon completion of the Proposed Subscription (the "**Completion**"), the Shareholders' Agreement shall become effective.

2. Business of Wholly Greens Pte Ltd

Founded and incorporated in 2015 in Singapore, Wholly Greens Pte Ltd specialises in fresh packaged salads in Singapore. Under their Shake Salad division, they pack and deliver salads through an innovative network of smart vending machines which allows customers to mix and match their meals and dispense the products immediately. To date, Shake Salad has over 175 vending machines island-wide and also operates an e-commerce store to deliver freshly prepared salads to customers' homes. The shareholders of Wholly Greens (comprising of co-founders and minority shareholders) are unrelated to the Company's directors, substantial shareholders and their respective associates.

Based on the unaudited financial statements of Wholly Greens as at 31 December 2023, the net liability value is approximately S\$1,679,000 and the net loss attributable to shareholders is approximately S\$173,000.

3. Consideration

The consideration of the preference shares to be allotted to MEOD pursuant to the Conversion amounts to approximately S\$1,091,000, which is derived from the total outstanding principal amount of the Convertible Loan plus its accrued interest that was extended to Wholly Greens. Prior to the Proposed Conversion, the Group did not have any shareholdings in Wholly Greens.

The conversion of the Convertible Loan to preference shares is at S\$3.74 per preference share. The conversion price was arrived at on a willing-buyer willing-seller basis and among other factors, an internal assessment of Wholly Greens' value. The internal assessment took into account, inter alia, Wholly Green's growth potential, its future business plans and the adjusted net assets position after the subscription of the Preference Shares. MEOD did not commission an independent valuation. Upon Completion of the Proposed Subscription, MEOD's shareholdings in the enlarged share capital of Wholly Greens will be approximately 18.0%, with potential dilution to approximately 17.1% upon the

issuance of employee share options. Please see Paragraph 4.2 Shareholders' Agreement for the rights accorded to the Preference Shares.

4. Principal terms of the Subscription Agreement and Shareholders' Agreement

4.1 Subscription Agreement

4.1.1 Subscription for and issuance of shares

Pursuant to the Subscription Agreement, preference shares will be issued to 3 new shareholders, namely MEOD, a venture capital firm based in Singapore (the "**Lead Investor**") and an individual investor who is unrelated to the Company (the "**Individual Investor**") (collectively "**Investors**").

4.1.2 Termination and waiver of Convertible Instruments

With the entry into the Proposed Subscription, MEOD consents and agrees to the conversion of its Convertible Loan into Conversion Shares on Completion, and other than MEOD's right to receive the Conversion Shares on Completion, MEOD with effect on and from Completion irrevocably and unconditionally releases and discharges Wholly Greens from any and all obligations (whether past, present and/or future) in respect of its Convertible Loan and waives any and all demands, claims, suits, actions, causes of actions, proceedings, assessments and rights in respect of its Convertible Loan.

4.1.3 Conditions Precedent

Completion of the Subscription Agreement is conditional upon the fulfilment of certain conditions within 20 business days after the date of the Subscription Agreement, or such other date as agreed between Wholly Greens and the Lead Investor, which include, among others:

- (a) Fulfilment of financial, business and legal due diligence of Wholly Greens by the Lead Investor and resolution of all issues raised by the Lead Investor pursuant thereto;
- (b) The Company having obtained all necessary consents and approvals; and
- (c) The Lead Investor being satisfied that MEOD and the founders of Wholly Greens have terminated all personal guarantees (or any other security) provided in respect of the MEOD's Convertible Loan.

4.1.4 Completion

Subject to the satisfaction or waiver of all the conditions, the Completion shall take place within 10 business days after all the conditions are fulfilled, or such other date agreed between Wholly Greens and the Lead Investor.

4.2 Shareholders' Agreement

4.2.1 Customary provisions

In connection with the Proposed Subscription, MEOD will be entering into the Shareholders' Agreement with Wholly Greens and the resulting shareholders to govern their respective rights and obligations, and regulate their relationship inter se in the conduct of the business and related affairs of Wholly Greens after the completion of the Subscription. The Shareholders' Agreement contains customary provisions relating to the management and governance of Wholly Greens including without limitation, drag and tag along rights, the voting rights of the shareholders and directors, constitution of the board of directors and pre-emptive rights.

4.2.2 Rights of preference shareholders

The Shareholders' Agreement also sets out the rights of Preference Share Shareholders, which include, inter alia, the following:

- (a) At any time and from time to time, any holder of Preference Shares then outstanding shall have the right, at its option, to convert all or part of its Preference Shares then outstanding into Ordinary Shares based on the Conversion Price set out in the Shareholders' Agreement;
- (b) Each holder of the Preference Shares then outstanding shall be entitled to receive dividends and distributions payable on the Ordinary Shares as and when declared by the Board on an as-converted basis and rank senior and prior to and in preference to the dividend rights of the holders of Ordinary Shares and any other class of shares in Wholly Greens;
- (c) Each Preference Share is entitled to such number of votes as would be represented by the number of Ordinary Shares into which it is convertible (as of the record date for determining the shareholders entitled to vote) on all matters on which the Ordinary Shares are authorised to vote and shall vote together with the Ordinary Shares as a single class; and
- (d) If Wholly Greens proposes to allot or issue any new securities, those securities shall not be allotted or issued to any person unless Wholly Greens has in the first instance offered them to the holders of Preference Shares on the same terms and at the same price as those new securities are being (or will be) offered to other persons on a pari passu and pro rata basis based on the proportion (fractional entitlements being rounded to the nearest whole number) which their respective existing holding of shares (on an as-converted basis) bears to the total number of shares (on a fully-diluted and as-converted basis).
- (e) In the event of liquidation of Wholly Greens, net proceeds after all deductions shall be distributed first to Preference Share Shareholders, plus any declared but unpaid dividends.

5. Rationale for entering into the Subscription Agreement and Shareholders' Agreement

The Proposed Subscription is part of the MEOD's business strategy to continue investing in the Agriculture and Food sector, which the Company believes that re-invigorating this aspect of the Company's core business will provide its shareholders with potential new income stream and improve its growth prospects; coupled with opportunities for future regional/international strategic alliance.

Wholly Greens will appoint MEOD as its exclusive local fresh produce supplier for Mesculin mix for a 5-year duration.

Through this Subscription Agreement, MEOD is also taking an active step towards offering fresher, safer, and more sustainable food products by the adoption of a shorter and better integrated "farm to table" supply chain.

In this regard, the Board is of the view that MEOD's subscription of shares in Wholly Greens enhances the Group's value proposition, and is in the best interests of the Company, the Group and its shareholders.

6. Source of funds for the Subscription Agreement and Shareholders' Agreement

Under the Strategic Partnership Investment and Convertible Loan Agreement, MEOD had already extended an aggregate amount of S\$1,000,000 investment loan to Wholly Greens during the financial years ended 31 December 2021, 31 December 2022 and 31 December 2023. The consideration for the Conversion comprises solely the aggregate amount of the S\$1,000,000 investment loan plus its accrued interest. As such, MEOD does not inject additional funds to Wholly Greens arising from the Subscription Agreement.

7. Relative figures under Rule 1006 of the Catalist Rules

Catalist Rule 1006	Bases	%
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.	Not applicable - This is not a disposal of assets.
(b)	The net profits attributable to the assets acquired, compared with the Group's net profits.	0.6% ⁽¹⁾
(c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares.	8.7% ⁽²⁾⁽³⁾
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable. ⁽⁴⁾
(e)	The aggregate volume or amount proven and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal or mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable. ⁽⁵⁾

Notes:

1. *The net loss attributable to Wholly Greens for the unaudited 12 months ended 31 December 2023 based on 18% shareholding interest in Wholly Greens, which Company's wholly owned subsidiary, MEOD shall have upon subscription of the shares in Wholly Greens, is approximately S\$31,000. The Group's net loss for FY2023 is approximately S\$5,547,000.*
2. *The consideration in relation to the Proposed Subscription is the Convertible Loan of S\$1,000,000 plus accrued interest of approximately S\$91,000 totalling approximately S\$1,091,000.*
3. *The Company's market capitalisation is approximately S\$12,554,000, computed based on 2,510,923,690 ordinary shares in the issued and paid-up capital of the Company and weighted average price of S\$0.005 per share on 18 March 2024, being the last traded market day prior to the date of the Subscription Agreement.*
4. *Rule 1006(d) of the Catalist Rules is not applicable as no equity securities in the Company are proposed to be issued in relation to the Subscription Agreement.*
5. *Rule 1006(e) of the Catalist Rules is not applicable as the Company is not a mineral, oil or gas company.*

The relative figure computed under Rule 1006(b) of the Catalist Rules involves negative figures. Rule 1007(1) of the Catalist Rules provides that where any of the relative figures computed pursuant to Rule 1006 involves negative figures, Chapter 10 may still be applicable to the transaction in accordance with the applicable circumstances in Practice Note 10A of the Catalist Rules or if not so provided, at the discretion of the SGX-ST. Pursuant to paragraph 4.4(a) of the Practice Note 10A of the Catalist Rules, as:

- (i) the absolute relative figure computed on the basis of each of Rule 1006(c) and Rule 1006(d) does not exceed 75%; and
- (ii) the net loss attributable to the asset to be acquired exceeds 5% but does not exceed 10% of the consolidated net loss of the Company (in each case taking into account only the absolute values);

accordingly, the Subscription constitutes a "Discloseable Transaction" under Chapter 10 of the Catalist Rules.

8. Financial effects of the Subscription Agreement

The financial effects of the Proposed Subscription are set out below strictly for illustrative purposes and do not necessarily reflect the actual financial performance and position of the Group following the subscription agreement. The figures presented below are based on the Group's audited financial statements for the most recently completed financial year ended 31 December 2023 ("FY2023") and in accordance with Rule 1010(8) and 1010(9) of the Catalist Rules and are subject to the following key assumptions, assuming that the investment in the post-subscription of preference shares will be accounted for as investment in associated company:

- (a) the effect of the Proposed Subscription on the Group's net tangible assets ("NTA") per share in the capital of the Company ("Share") is based on the assumption that the Subscription Agreement had been effected at the end of FY2023; and
- (b) the effect of the Proposed Subscription on the Group's loss per share ("LPS") for FY2023 is based on the assumption that the Subscription Agreement has been effected at the beginning of FY2023.

NTA

Description	Before the Proposed Subscription	After the Proposed Subscription
NTA of the Group (S\$'000)	850	850
Number of shares ('000)	2,510,924	2,510,924
NTA per share (S\$ cents)	0.03	0.03

EPS

Description	Before the Proposed Subscription	After the Proposed Subscription
Net loss attributable to equity holders of the Company (S\$'000)	(5,522)	(5,608)
Number of shares ('000)	2,510,924	2,510,924
Earnings per share (S\$ cents)	(0.22)	(0.22)

9. Interests of directors and controlling shareholders

None of the Directors or controlling shareholders of the Company, or their respective associates, has any interest, direct or indirect, in the Proposed Subscription (other than through their shareholding interests in the Company, if any).

10. Service contracts

Save for Mr Ong Kai Hian (a Director of MEOD Pte Ltd), who is a director of Wholly Greens in connection with the Strategic Partnership Investment and Convertible Loan Agreement, there are no other directors that are proposed to be appointed to the board of Wholly Greens. Mr Ong Kai Hian remains as a director of Wholly Greens after the entry into the Subscription Agreement.

11. Documents available for inspection

A copy of the Subscription Agreement and Shareholders' Agreement will be made available for inspection during normal business hours at the registered office of the Company at 78 Gilstead Road, Singapore 309116 for 3 months from the date of this announcement.

12. Further Announcements

The Company will make further announcement(s) to keep shareholders informed, as and when there are further updates or developments in due course.

13. Responsibility statement

The Directors of the Company (including any Director who may have delegated detailed supervision of the preparation of this announcement) 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 Proposed Acquisition, the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the 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 announcement in its proper form and context.

14. Cautionary statement

Shareholders and potential investors should exercise caution when trading in the Company's shares, as there is no certainty that completion will take place. In the event of any doubt as to the action they should take, shareholders and potential investors should consult their financial, tax, legal or other professional advisors.

By order of the Board
Edition Ltd.

Ong Boon Chuan
Executive Director and Chief Executive Officer
19 April 2024

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.

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