

Edition Ltd. and its subsidiary corporations

**Condensed interim financial statements
For the 6 months and full year ended 31 December 2023**

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Consolidated statement of profit or loss and other comprehensive income

	Note	Group			Group		
		6 months ended 31 December			12 months ended 31 December		
		2023	2022	Change	2023	2022	Change
		Unaudited	Unaudited		Unaudited	Audited	
	\$'000	\$'000	%	\$'000	\$'000	%	
Revenue	4.2	284	151	88	542	266	> 100
Other gains		97	294	(67)	133	336	(60)
Expenses:							
Employees compensation		(845)	(632)	34	(1,594)	(1,610)	(1)
Change in inventories		(11)	5	NM	(22)	68	NM
Purchases of inventories		(141)	(87)	62	(225)	(204)	10
Rental expense on operating lease		(10)	(11)	(9)	(22)	(25)	(12)
Amortisation and depreciation		(118)	12	NM	(181)	(64)	> 100
Professional fees		(142)	(140)	1	(285)	(276)	3
Finance costs		(101)	(10)	> 100	(147)	(21)	> 100
Other expenses		(296)	(265)	12	(526)	(510)	3
Loss allowance for expected credit losses on trade and other receivables		(6)	(72)	(92)	(6)	(72)	(92)
Impairment loss on property, plant and equipment		(3,100)	(2,500)	24	(3,100)	(2,500)	24
Impairment loss on goodwill		(114)	-	NM	(114)	-	NM
Total expenses		(4,884)	(3,700)	32	(6,222)	(5,214)	19
Share of result of associated company, net of tax		-	-	NM	-	-	NM
Loss before income tax	6.1	(4,503)	(3,255)	38	(5,547)	(4,612)	20
Income tax expense	7	-	-	NM	-	-	NM
Net loss for the period/year		(4,503)	(3,255)	38	(5,547)	(4,612)	20

NM - Not meaningful

Consolidated statement of profit or loss and other comprehensive income (cont'd)

	Group			Group		
	6 months ended 31 December		Change	12 months ended 31 December		Change
	2023	2022		2023	2022	
	Unaudited	Unaudited	Unaudited	Audited		
\$'000	\$'000	%	\$'000	\$'000	%	
Other comprehensive loss, after tax:						
Items that may be reclassified subsequently to profit or loss:						
Currency translation differences on translation of financial statements of foreign subsidiaries	(7)	(69)	(90)	(62)	(72)	(14)
Other comprehensive loss, net of tax	<u>(7)</u>	<u>(69)</u>	(90)	<u>(62)</u>	<u>(72)</u>	(14)
Total comprehensive loss	<u>(4,510)</u>	<u>(3,324)</u>	36	<u>(5,609)</u>	<u>(4,684)</u>	20
Net loss attributable to:						
Equity holders of the Company	<u>(4,484)</u>	<u>(3,233)</u>	39	<u>(5,522)</u>	<u>(4,589)</u>	20
Non-controlling interest	<u>(19)</u>	<u>(22)</u>	(14)	<u>(25)</u>	<u>(23)</u>	9
	<u>(4,503)</u>	<u>(3,255)</u>	38	<u>(5,547)</u>	<u>(4,612)</u>	20
Total comprehensive loss attributable to:						
Equity holders of the Company	<u>(4,491)</u>	<u>(3,302)</u>	36	<u>(5,584)</u>	<u>(4,661)</u>	20
Non-controlling interest	<u>(19)</u>	<u>(22)</u>	(14)	<u>(25)</u>	<u>(23)</u>	9
	<u>(4,510)</u>	<u>(3,324)</u>	36	<u>(5,609)</u>	<u>(4,684)</u>	20
Loss per share attributable to equity holders of the Company						
Basic and diluted loss per share (SGD cents per share)	<u>(0.18)</u>	<u>(0.13)</u>	38	<u>(0.22)</u>	<u>(0.18)</u>	22

Statements of financial position

	Note	Group		Company	
		As at	As at	As at	As at
		31/12/2023	31/12/2022	31/12/2023	31/12/2022
		Unaudited	Audited	Unaudited	Audited
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Current assets					
Cash and cash equivalents	10	496	1,756	59	396
Trade and other receivables		1,510	284	3,983	7,168
Inventories		116	138	-	-
		<u>2,122</u>	<u>2,178</u>	<u>4,042</u>	<u>7,564</u>
Non-current asset classified as held-for-sale	15	1,004	1,066	-	-
		<u>3,126</u>	<u>3,244</u>	<u>4,042</u>	<u>7,564</u>
Non-current assets					
Property, plant and equipment	11	4,923	6,129	-	* -
Intangible assets	12	-	114	-	-
Investment in subsidiary corporations	13	-	-	-	2,595
Investment in associated company	14	-	-	-	-
Non-current other receivables	16	-	578	-	-
		<u>4,923</u>	<u>6,821</u>	<u>-</u>	<u>2,595</u>
Total assets		<u>8,049</u>	<u>10,065</u>	<u>4,042</u>	<u>10,159</u>
LIABILITIES					
Current liabilities					
Trade and other payables	17	6,648	2,858	3,401	395
Bank borrowings	18	203	198	-	-
		<u>6,851</u>	<u>3,056</u>	<u>3,401</u>	<u>395</u>
Non-current liabilities					
Bank borrowings	18	348	550	-	-
		<u>348</u>	<u>550</u>	<u>-</u>	<u>-</u>
Total liabilities		<u>7,199</u>	<u>3,606</u>	<u>3,401</u>	<u>395</u>
Net assets		<u>850</u>	<u>6,459</u>	<u>641</u>	<u>9,764</u>
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	19	43,079	43,079	43,079	43,079
Treasury shares	19	(1,236)	(1,236)	(1,236)	(1,236)
Other reserves		53	115	269	269
Accumulated losses		(40,998)	(35,476)	(41,471)	(32,348)
		<u>898</u>	<u>6,482</u>	<u>641</u>	<u>9,764</u>
Non-controlling interests		(48)	(23)	-	-
Total equity		<u>850</u>	<u>6,459</u>	<u>641</u>	<u>9,764</u>

* Amount less than \$1,000

Statements of changes in equity

	Attributable to equity holders of the Company					Non-controlling interest	Total equity
	Share capital	Treasury shares	Other reserves	Accumulated losses	Total		
Group	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Unaudited</u>							
At 1 January 2023	43,079	(1,236)	115	(35,476)	6,482	(23)	6,459
Total comprehensive loss for the year	-	-	(62)	(5,522)	(5,584)	(25)	(5,609)
At 31 December 2023	43,079	(1,236)	53	(40,998)	898	(48)	850
<u>Audited</u>							
At 1 January 2022	43,079	(1,236)	187	(30,887)	11,143	*-	11,143
Total comprehensive loss for the year	-	-	(72)	(4,589)	(4,661)	(23)	(4,684)
At 31 December 2022	43,079	(1,236)	115	(35,476)	6,482	(23)	6,459

* Amount less than \$1,000

	Share capital	Treasury shares	Other reserves	Accumulated losses	Total equity
Company	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Unaudited</u>					
At 1 January 2023	43,079	(1,236)	269	(32,348)	9,764
Total comprehensive loss for the year	-	-	-	(9,123)	(9,123)
At 31 December 2023	43,079	(1,236)	269	(41,471)	641
<u>Audited</u>					
At 1 January 2022	43,079	(1,236)	269	(27,761)	14,351
Total comprehensive loss for the year	-	-	-	(4,587)	(4,587)
At 31 December 2022	43,079	(1,236)	269	(32,348)	9,764

Consolidated statement of cash flows

	Note	Group	
		12 months ended 31 December	
		2023	2022
		Unaudited S'000	Audited S'000
Cash flows from operating activities			
Net loss before income tax		(5,547)	(4,612)
<u>Adjustments for:</u>			
Amortisation and depreciation		181	64
Finance costs		147	21
Interest income		(65)	(39)
Loss allowance for expected credit losses on trade and other receivables		6	72
Impairment loss on property, plant and equipment		3,100	2,500
Impairment loss on goodwill		114	-
Currency translation differences		(2)	(5)
Operating cash flow before working capital changes		<u>(2,066)</u>	<u>(1,999)</u>
<u>Changes in working capital:</u>			
Trade and other receivables		(140)	(37)
Inventories		22	(68)
Land development rights		-	(1)
Trade and other payables		910	240
Cash used in operations		<u>(1,274)</u>	<u>(1,865)</u>
Interest received		1	11
Interest paid		(16)	(21)
Net cash used in operating activities		<u>(1,289)</u>	<u>(1,875)</u>
Cash flows from investing activities			
Additions to property, plant and equipment		(2,075)	(3,654)
Government grants received for reimbursement of purchase of property, plant and equipment		-	207
Long-term loan to non-related party		(450)	(450)
Net cash used in investing activities		<u>(2,525)</u>	<u>(3,897)</u>
Cash flows from financing activities			
Repayment of bank borrowings		(197)	(191)
Decrease in bank deposits restricted for use		546	209
Repayment of lease liabilities		-	(10)
Proceeds from borrowing from controlling shareholder		2,750	-
Net cash generated from financing activities		<u>3,099</u>	<u>8</u>
Net decrease in cash and cash equivalents		<u>(715)</u>	<u>(5,764)</u>
Cash and cash equivalents at beginning of the year		1,010	6,773
Effects of currency translation on cash and cash equivalents		1	1
Cash and cash equivalents at end of the year	10	<u>296</u>	<u>1,010</u>

Notes to the condensed interim financial statements

1 Corporate information

Edition Ltd. ("the Company") is incorporated and domiciled in Singapore. The Company's shares are publicly traded on the Catalist of the Singapore Exchange Securities Trading Limited.

These condensed interim financial statements as at and for the 6 months and year ended 31 December 2023 comprise the results of the Company and its subsidiaries (collectively, "the Group"). The primary activities of the Company are that of investment holding and provision of management services. The principal activities of the Group are that of (a) agricultural and related business; and (b) investment holdings.

2 Basis of preparation

The condensed interim financial statements for the 6 months and year ended 31 December 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 Interim Financial Reporting issued by the Accounting Standards Committee Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements for the year ended 31 December 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.2. The financial statements have been prepared based on the going concern basis. At the date of these financial statements, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1 Going concern

The Group incurred a total comprehensive loss attributable to the equity holders of the Company of \$5,584,000 for the 12 months ended 31 December 2023 (31 December 2022: \$4,661,000). As at 31 December 2023, the Group has net current liabilities of \$3,725,000 (31 December 2022: net current assets of \$188,000). These conditions indicate the existence of events and conditions that may cast significant doubt on the Group's ability to continue as a going concern. At the date of these financial statements, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due over the next twelve months, having assessed the following measures:

- The Group is actively looking for a buyer to dispose of the land development rights located at Kota Bahru, Kelantan, Malaysia;
- The net current liabilities position of \$3,725,000 consists of deferred grant income amounting to \$1,051,000 and the loan principal plus interest owing to controlling shareholder of \$2,881,000 arising from the loan facilities as announced on 22 February 2023, 4 September 2023 and 26 December 2023. The controlling shareholder, B&L Group Pte Ltd, has undertaken not to recall the fully drawn facility amount of \$3,000,000 (\$2,750,000 as at 31 December 2023 and a further \$250,000 on 16 January 2024), in the event that the Company is unable to repay, in full or in part, by the maturity date of 15 April 2024;
- On 22 December 2023, the Group has accepted a letter of offer from a financial institution for a loan facility of \$2,500,000. On 19 February 2024, an amount of \$1,500,000 has been drawn down; and

- The Group continues to explore funding opportunities, including potential further financial support as and when required from the controlling shareholder.

Accordingly, the financial statements have been prepared on the going concern basis. Should the going concern assumption become inappropriate, adjustments may have to be made to:

- The carrying value of assets to reflect the situation that assets may need to be realised at a lower value other than the carrying value;
- Liabilities to provide for further liabilities that may arise; and
- Reclassify non-current assets and non-current liabilities as current.

No adjustments have been made in the financial statements in respect of these.

In carrying out the going concern assessment, significant judgements are involved in estimating the remaining cash commitment of the projects and other operating expenses. Based on the sources of funding indicated above, management is confident that the strategies in place will improve the financial position of the Group and the Company so as to continue in operational existence for at least the next 12 months.

2.2 New and amended standards adopted by the Group

During the financial year, the Group and the Company have adopted the following new and amended standards to SFRS(I)s which took effect from the financial year beginning 1 January 2023:

- Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies
- Amendments to SFRS(I) 1-8: Definitions of Accounting Estimates
- Amendments to SFRS(I) 1-12: Deferred Tax Assets related to Assets and Liabilities arising from a Single Transaction

2.3 Use of judgements and estimates

In preparing the condensed interim financial statements, the Group has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by the Group in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements, estimates and assumptions in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 2.1 – In carrying out the going concern basis assumption assessment, significant judgements are involved. Actual outcome may differ significantly from assessments
- Note 11 – impairment test of property, plant and equipment
- Note 12 – impairment test of goodwill: key assumptions underlying recoverable amounts

- Note 13 – impairment of investment in subsidiary corporation: key assumptions underlying recoverable amounts
- Note 14 – impairment of investment in associated company: key assumptions underlying recoverable amount
- Note 15 – impairment test of land development rights and its fair value determination
- Note 16 – fair value determination on the Group’s non-current other receivables from a non-related company

3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4 Segment and revenue information

The Board of Directors considers the business from both the business segment and geographic perspective. From the business perspective, the Group considers the agriculture business. Geographically, the Group considers two primary geographic areas, namely Singapore and Malaysia.

The Company's key decision makers are the Chief Executive Officer and the Board of Directors, who are responsible for making strategic decisions, allocating resources and assessing the performance. The Group has determined the operating segments based on the reports reviewed by the key decision makers.

For the financial year ended 31 December 2023 and 31 December 2022, the agriculture business has been reported separately under the "agricultural segment". The Group has exited from the property development segment. The Group is actively looking for a buyer to dispose of the land development rights. The Group has therefore grouped it with the investment holding segment as they both share similar economic characteristics. The investment holding segment is included under "all other segments".

4.1 Reportable segments

Business segments	Agricultural segment		# All other segments		Consolidated	
	12 months ended		12 months ended		12 months ended	
	31 December		31 December		31 December	
	2023	2022	2023	2022	2023	2022
Group	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue						
- External parties	542	266	-	-	542	266
Segment results, representing loss before income tax	(4,356)	(3,595)	(1,191)	(1,017)	(5,547)	(4,612)
Segment results include:						
- Interest income	56	28	9	11	65	39
- Amortisation and depreciation	(181)	(63)	*-	(1)	(181)	(64)
- Finance costs	(16)	(21)	(131)	-	(147)	(21)
- Loss allowance for expected credit losses on trade and other receivables	-	(72)	(6)	-	(6)	(72)
- Impairment loss on property, plant and equipment	(3,100)	(2,500)	-	-	(3,100)	(2,500)
- Impairment loss on goodwill	(114)	-	-	-	(114)	-
	As at	As at	As at	As at	As at	As at
	31/12/2023	31/12/2022	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Segment assets	6,810	8,441	1,239	1,624	8,049	10,065
	12 months ended	12 months ended	12 months ended	12 months ended	12 months ended	12 months ended
	31 December	31 December	31 December	31 December	31 December	31 December
	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Segment assets include:						
Additions to:						
- Property, plant and equipment	1,885	3,793	190	(139)	2,075	3,654
- Land development rights	-	-	-	1	-	1
	As at	As at	As at	As at	As at	As at
	31/12/2023	31/12/2022	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Segment liabilities	3,553	3,132	3,646	474	7,199	3,606

All other segments include investment holding and the land development rights that the Group has reclassified to current assets as non-current asset classified as held-for-sale

* Amount less than \$1,000

Geographical segments	Group revenue		Group non-current assets	
	12 months ended		As at	As at
	31 December			
	2023	2022	31/12/2023	31/12/2022
	\$'000	\$'000	\$'000	\$'000
- Singapore	542	266	4,923	6,821
- Outside Singapore	-	-	-	-

4.2 Disaggregation of revenue

Business segments	Agricultural segment		# All other segments		Consolidated	
	12 months ended		12 months ended		12 months ended	
	31 December		31 December		31 December	
	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group						
Types of goods or services:						
Sales of farm produce	535	229	-	-	535	229
Trading of agriculture produce	7	37	-	-	7	37
Total revenue	542	266	-	-	542	266
Timing of revenue:						
At point in time	542	266	-	-	542	266

5 Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2023 and 31 December 2022:

	Group		Company	
	As at	As at	As at	As at
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Financial assets, at amortised cost	723	1,917	4,025	7,545
Financial asset, at fair value through profit or loss	1,083	578	-	-
Total	1,806	2,495	4,025	7,545
Financial liabilities				
Financial liabilities, at amortised cost	6,148	2,555	3,401	395
Total	6,148	2,555	3,401	395

6 Profit before taxation

6.1 Significant items

	Group		Group	
	6 months ended 31 December		12 months ended 31 December	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Interest income	(39)	(21)	(65)	(39)
Allowance for expected credit losses on trade and other receivables	6	72	6	72
Amortisation of intangible assets	-	-	-	1
Depreciation of property, plant and equipment	118	(12)	181	63
Impairment loss on property, plant and equipment	3,100	2,500	3,100	2,500
Impairment on goodwill	114	-	114	-
Foreign exchange loss	3	24	11	1
Government support scheme in relation to COVID-19	-	-	-	(2)

6.2 Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following purchase of services transactions took place between the Group and related parties at terms agreed between the parties at arm's length:

	Group		Group	
	6 months ended 31 December		12 months ended 31 December	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Provision of services by related party	-	185	-	356
Purchase of concrete materials and farm development materials from related party	-	71	-	71
Rendering of corporate services from a related party	47	47	94	94
Interest on borrowing from controlling shareholder	93	-	131	-

7 Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

	Group		Group	
	6 months ended 31 December		12 months ended 31 December	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Income tax expense				
Current income tax expense	-	-	-	-
Deferred income tax expense	-	-	-	-
Total income tax expense	-	-	-	-

8 Dividend

No dividend has been declared for the 12 months ended 31 December 2023.

9 Net asset value

	Group		Company	
	As at	As at	As at	As at
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Net asset value (SGD'000)	898	6,482	641	9,764
Ordinary shares in issue ('000)	2,510,924	2,510,924	2,510,924	2,510,924
Net asset value per share attributable to equity holders of the Company (SGD cents)	0.04	0.26	0.03	0.39

10 Cash and cash equivalents

	Group	
	As at	As at
	31/12/2023	31/12/2022
	\$'000	\$'000
Cash at bank and on hand	496	1,756
Cash and cash equivalents	496	1,756
For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:		
Cash and cash equivalents	496	1,756
Less: Bank deposits restricted for use	(200)	(746)
Cash and cash equivalents per consolidated statement of cash flows	296	1,010

Bank deposits restricted for use is in relation to a condition imposed by a financial institution on a subsidiary's proceeds from a secured borrowing. Upon meeting the condition, the full proceeds will be available for unrestricted use.

11 Property, plant and equipment

During the 12 months ended 31 December 2023, the Group purchased property, plant and equipment with an aggregate cost of \$2,075,000 (31 December 2022: \$3,654,000).

In performing the impairment assessment of the carrying amount of property, plant and equipment, the recoverable amounts are determined using value-in-use (“VIU”) calculations. Significant judgements are used to estimate the gross margin, weighted average growth rates and the pre-tax discount rates applied in computing the recoverable amounts of the cash generating unit (“CGU”) to which the asset belongs. In making these estimates, management has relied on past performance, its expectation of market developments in Singapore and the industry trend for agriculture. The recoverable amounts of these assets and, where applicable, CGU, have been determined based on the higher of fair value less costs to sell and VIU. The carrying amounts of Group’s property, plant and equipment as at 31 December 2023 are \$4,923,000 (31 December 2022: \$6,129,000).

Impairment charge recognised for the 12 months ended 31 December 2023 are \$3,100,000 (31 December 2022: \$2,500,000).

12 Intangible assets

	Group			Company	
	As at 31/12/2023			As at 31/12/2023	
	\$'000	\$'000	\$'000	\$'000	\$'000
	Goodwill	Software	Total	Software	Total
At cost					
Beginning of financial year	114	17	131	8	8
Addition during the financial year	-	-	-	-	-
Disposal during the financial year	-	-	-	-	-
End of financial year	114	17	131	8	8
Accumulated amortisation					
Beginning of financial year	-	17	17	8	8
Amortisation during the financial year	-	-	-	-	-
Disposal during the financial year	-	-	-	-	-
End of financial year	-	17	17	8	8
Accumulated impairment					
Beginning of financial year	-	-	-	-	-
Impairment during the financial year	114	-	114	-	-
Disposal during the financial year	-	-	-	-	-
End of financial year	114	-	114	-	-
Net book value					
End of financial year	-	-	-	-	-
Beginning of financial year	114	-	114	-	-

The goodwill arose from the acquisition of a subsidiary corporation Meod Pte Ltd ("MEOD") in 2016. The goodwill was attributable to the commercial viability of the production of agricultural products as well as distribution network in MEOD.

Goodwill is allocated to the Group's cash-generating units (“CGUs”) identified according to countries of operation and business segments. The recoverable amount of the identified CGU was based on value-in-use. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management. They cover a fifteen-year period and use growth rates based on projected performances and its expectations on market development. These assumptions were used for the analysis of the CGU within the business segment.

In the current financial year, management applied a long-term growth rate of 1.6% (2022: 2%) for the cash flow projections used in the value-in-use calculations. The long-term growth was determined after considering the future prospect of the CGU, along with the long-term inflation rate of Singapore.

As at the reporting date, the goodwill was fully impaired.

13 Investment in subsidiary corporations

The Company's investment in subsidiary corporations is carried at cost less accumulated impairments. For the purpose of impairment assessment, the recoverable amount (ie the higher of fair value less cost to sell and value-in-use ("VIU")) is determined for the cash-generating-unit to which the assets belong. From a combination of quantitative factors, qualitative factors and the application of the VIU (cash flow projections) method, the recoverable amount of the investments in subsidiary corporations is determined.

Impairment charge recognised for the 12 months ended 31 December 2023 are \$2,594,811 (31 December 2022: \$3,699,000).

14 Investment in associated company

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Equity investment at cost				
At 1 January 2023 and 31 December 2023	592	592	800	800
Movements in allowance for impairment loss on investment in associated company is as follows:				
At 1 January 2023 and 31 December 2023	592	592	800	800
Net carrying value				
At 1 January 2023 and 31 December 2023	-	-	-	-

15 Non-current asset classified as held-for-sale

Land development rights

	Group	
	As at 31/12/2023 \$'000	As at 31/12/2022 \$'000
Beginning of financial year	1,066	1,133
Additions	-	1
Currency translation differences	(62)	(68)
End of period	1,004	1,066
Classified under:		
Current assets	1,004	1,066
End of financial year	1,004	1,066

On 27 October 2014, the Group acquired the land development rights of a piece of vacant land measuring 1.3 acres at Kota Bahru, Kelantan, Malaysia from an unrelated and independent third party.

As at 31 December 2022, the Group has reclassified the land development rights as non-current assets held-for-sale. The Group's plan to recover the carrying amount of the land development rights continues to be principally through a sale transaction as at 31 December 2023. The Group will not be developing the vacant land. The Group's plan to recover the carrying amount of the land development rights continues to be principally through a sale transaction. The land development rights is available for immediate sale in its present condition. The Group is still actively looking for a buyer to complete the plan to dispose the land development rights.

A valuation of the aforementioned land as at 31 December 2023 was carried out by an independent professional valuer, Nasir Sabaruddin & Associates Sdn Bhd, registered under the Board of Valuers, Appraisals and Estate Agents and Property Managers of Malaysia. The valuation method adopted is the market comparison method based on market value basis. The valuer possesses relevant skillsets and experience in the valuation of land at this location.

16 Non-current other receivables

	Group	
	As at 31/12/2023 \$'000	As at 31/12/2022 \$'000
Beginning of financial year	578	-
Additions	450	578
Interest accretion	54	-
	1,082	578
Reclassified from non-current to current other receivables	(1,082)	-
End of financial year	-	578

On 28 February 2022, the Group entered into a Strategic Partnership and Convertible Loan Agreement with Wholly Greens Pte Ltd. Under the agreement, the Group will extend a 2-year 6% per annum interest-bearing convertible loan of \$1,000,000, to be disbursed in tranches, upon achieving of agreed milestones. MEOD is entitled to convert the convertible loan at an agreed valuation for up to 20% new shares. In the event of non-conversion upon 2 years maturity of the loan, the total amount invested and outstanding interest amount shall be payable within 12 months.

As at 31 December 2023, the Group had extended a loan of an aggregate \$1,000,000 at an interest rate of 6% per annum to a non-related third party pursuant to a strategic partnership investment and convertible loan agreement as announced on 1 March 2022. The duration of the convertible loan is two years from 1 March 2022 or any external fund-raising event of the non-related third party, whichever is earlier. In the event of any external fund-raising event, the Group is entitled to convert the convertible loan at an agreed valuation for up to 20% new shares in the non-related company. Any balance of the convertible loan that is not converted shall be repaid to the Group within 6 months. As at 31 December 2023, the loan has been accordingly reclassified from non-current other receivable to current other receivables. The total loan amount disbursed to date as at 31 December 2023 is \$1,000,000 with an interest of \$82,000.

The loan has been designated as financial assets at fair value through profit or loss. The Group has determined the fair value of the unquoted convertible loan to approximate its cost. This investment is classified as Level 3 of the fair value hierarchy.

17 Trade and other payables

	Group		Company	
	As at 31/12/2023 \$'000	As at 31/12/2022 \$'000	As at 31/12/2023 \$'000	As at 31/12/2022 \$'000
Trade payables to non-related parties	353	181	-	-
Accrued operating expenses	625	490	158	186
Other payables:				
- deferred grant	1,051	1,051	-	-
- non-related parties	692	429	125	67
- related parties	3,927	707	3,118	142
Total	6,648	2,858	3,401	395

On 22 February 2023, 4 September 2023 and 26 December 2023, the Company's controlling shareholder, B&L Group Pte Ltd granted loan facilities of \$2,000,000, \$500,000 and \$500,000 respectively to the Company. The loan facilities are unsecured, with maturity date on 15 April 2024 and at an interest rate of 8% per annum. As at 31 December 2023, a total of \$2,750,000 of the loan facilities has been drawn down. During the financial year, the interest expense recognised is \$131,000. The drawn principal and the interest payable are included in other payables to related parties.

18 Bank borrowings - secured

	Group		Group	
	As at 31/12/2023		As at 31/12/2022	
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less, or on demand	203	-	198	-
Amount repayable after one year	348	-	550	-

Details of any collaterals

The Group's secured borrowings comprise bank borrowing. Bank borrowing is secured over:

- (a) A Deed of Subordination from the Company in favour of the financial institution in respect of loans extended to the subsidiary corporation;
- (b) Fixed and floating charge over a subsidiary corporation's assets and receivables; and
- (c) Deed of Guarantee and Indemnity provided by a director of the subsidiary corporation.

19 Share capital

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

Movements in the Company's Shares since 1 January 2023 up to 31 December 2023 were as follows:

	Number of shares	Issued and paid-up capital
	'000	\$'000
Balance as at 31 December 2023 and 31 December 2022:		
Issued ordinary shares excluding treasury shares	2,510,924	41,843
Treasury shares	12,374	1,236

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 2023, the number of shares that may be issued on conversion of outstanding convertibles is 39,168,595 shares (31 December 2022: 39,168,595 shares), if fully vested. As at 31 December 2023, the number of share options and awards that are vested is nil (31 December 2022: nil).

As at 31 December 2023, 12,374,000 shares (31 December 2022: 12,374,000 shares) are held as treasury shares. The percentage of the aggregate number of treasury shares held against the total number of issued shares as at 31 December 2023 is 0.49% (31 December 2022: 0.49%). There was no sale, transfer, disposal, cancellation and/or use of treasury shares as at 31 December 2023 (31 December 2022: nil).

There are no subsidiary holdings as at 31 December 2023 (31 December 2022: nil). There was no sale, transfer, disposal, cancellation and/or use of subsidiary holdings as at 31 December 2023 (31 December 2022: nil).

20 Subsequent events

The Company had announced a loan facility of S\$500,000 obtained from B&L Group Pte Ltd on SGXNet on 26 December 2023. An amount of S\$250,000 had been drawn down on 28 December 2023. Subsequent to 31 December 2023, the Company had fully drawn down the remaining \$250,000 of loan facility in January 2024.

On 22 December 2023, the Company's subsidiary, Meod Pte Ltd had accepted a letter of offer for a borrowing facility from a financial institution in Singapore. The facility amount is \$2,500,000 and secured by personal guarantees and mortgage of properties. The personal guarantees are provided by the director of the subsidiary and executive director of the Company. The properties are provided by the executive director of the Company. The executive director is also the controlling shareholder of the Company. On 19 February 2024, the term loan tranche of \$1,500,000 was drawn down.

On 5 February 2024, the Company announced on the Company's dilution in shareholdings in Arete M Pte Ltd. As a result of the dilution from approximately 30.5% to approximately 15.9%, Arete M Pte Ltd ceased to be an associated company and will be accounted for as an investment held at fair value through other comprehensive income for the financial year ending 31 December 2024.

Meod Pte Ltd ("Meod")'s Strategic Partnership & Convertible Loan Agreement with Wholly Greens Pte Ltd ("Wholly Greens") is for a period of 2 years from 28 February 2022. The convertible loan of \$1,000,000 extended to Wholly Greens plus accrued interest thereon is due on 28 February 2024. Under the said agreement, Meod is entitled to convert the loan for up to 20% of the enlarged share capital of Wholly Greens. On 26 February 2024, Meod has served notice to Wholly Greens indicating our intention to exercise our rights, pending the outcome of further negotiations.

Other Information Required by Catalyst Rule Appendix 7C

- 1 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.
- The condensed interim financial statements of Edition Ltd. and its subsidiary corporations as at 31 December 2023 have not been audited or reviewed by auditors.
- 2 Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).
- Not applicable.
- 2A Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:
- Updates on the efforts taken to resolve each outstanding audit issue.
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 related to going concern.
- Not applicable. The Group's latest audited financial statements for the financial year ended 31 December 2022 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.
- 3 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

2HY2023 vs 2HY2022

In the second half-year ended 31 December 2023 ("2HY2023"), the Group continued with the sales of produce from our own farm and trading sales of agricultural produce from other farms.

The Group revenue for 2HY2023 increased to \$0.28 million from \$0.15 million in 2HY2022. In 2HY2023, the temporary farm at the 6-hectare location stabilised its production as compared with 2HY2022. Revenue increased from sale of the higher production output.

Other gains were \$0.10 million in 2HY2023, as compared to \$0.29 million in 2HY2022, mainly due to recognition of grant income in 2HY2022.

Total expenses for 2HY2023 increased to \$4.88 million, from \$3.70 million in 2HY2022. This was mainly due to the following:

- The increase in employee compensation to \$0.85 million in 2HY2023 from \$0.63 million in 2HY2022 was mainly due to capitalisation to property, plant and equipment of \$0.41 million in 2HY2022 which represented 12 months' relevant employee compensation, as compared with 2HY2023 which represented 6 months' relevant employee compensation.
- Changes in inventories and purchases of inventories in aggregate increased from \$0.08 million to \$0.15 million was in tandem with revenue.
- Amortisation and depreciation for 2HY2023 increased to \$0.12 million from a negative \$0.01 million due to depreciation on property, plant and equipment purchased as compared with

- 2HY2022 which was a negative \$0.01 million due to reduction in depreciation arising from recognition of grant received to property, plant and equipment.
- Professional fees was relatively unchanged at \$0.14 million in 2HY2023 as compared with \$0.14 million in 2HY2022.
 - Finance costs for 2HY2023 increased to \$0.10 million from \$0.01 million in 2HY2022 due to interest expense on the borrowings from controlling shareholder.
 - Other expenses in 2HY2023 increased by \$0.03 million to \$0.30 million from \$0.27 million in 2HY2022 mainly due to research expense and foreign exchange loss;
 - Allowance for trade and other receivables decreased to \$6,000 in 2HY2023 from \$72,000 in 2HY2022 mainly due to an allowance loss in 2HY2022 on the Group's refundable deposit of the vacated 1-hectare farm.
 - The Group recorded an impairment loss on property, plant and equipment of \$3.10 million in 2HY2023 as compared with \$2.50 million 2HY2022 from the carrying value of purchases made on the 6-hectare high-technology farm.
 - In 2H2023, the Group recognised an impairment on the goodwill in relation to the agricultural business.

As a result of the above, the Group registered a net loss before tax of \$4.50 million in 2HY2023, as compared to a net loss of \$3.26 million in 2HY2022.

FY2023 vs FY2022

During the full year ended 31 December 2023 ("FY2023"), the Group continued with the sales of produce from our own farm and trading sales of agricultural produce from other farms.

The Group's revenue for FY2023 increased by \$0.27 million to \$0.54 million from \$0.27 million for the financial year ended 31 December 2022 ("FY2022"). In FY2023, the temporary farm at the 6-hectare location stabilised its production as compared with FY2022. Revenue increased from sale of the higher production output

Other gains were \$0.13 million in FY2023, as compared to \$0.34 million in FY2022, mainly due to recognition of grant income in FY2022.

Total expenses for FY2023 increased by 19% to \$6.22 million, from \$5.21 million in FY2022. This was mainly due to the following:

- Employees compensation cost were relatively unchanged at \$1.59 million in FY2023 as compared to \$1.61 million in FY2022;
- Changes in inventories and purchases of inventories in aggregate increased from \$0.14 million to \$0.25 million was in tandem with revenue.
- Amortisation and depreciation for FY2023 increased by \$0.12 million to \$0.18 million from \$0.06 million in FY2022 mainly due to the depreciation on property, plant and equipment purchased.
- Professional fees in FY2023 amounting to \$0.29 million as compared to \$0.28 million in FY2022 mainly due to increase in price from professional service providers;
- Finance costs in FY2023 were higher than in FY2022 due to interest on borrowings from the controlling shareholder;
- Other expenses for FY2023 increased by 3% to \$0.53 million from \$0.51 million in FY2022 mainly due to research expense and foreign exchange loss;
- Allowance for trade and other receivables decreased to \$6,000 in 2HY2023 from \$72,000 in 2HY2022 mainly due to an allowance loss in 2HY2022 on the Group's refundable deposit of the vacated 1-hectare farm.
- The Group recorded an impairment loss on property, plant and equipment of \$3.10 million in FY2023 as compared to \$2.50 million in FY2022.
- In FY2023, the Group recognised an impairment on the goodwill in relation to the agricultural business.

As a result of the above, the Group registered a net loss before tax of \$5.55 million in FY2023, as compared to a net loss of \$4.61 million in FY2022.

Balance Sheet

Compared to FY2022, the Group's cash and cash equivalents balance has decreased by \$1.26 million, from \$1.76 million in FY2022 to \$0.50 million in FY2023. Please refer to the explanation on Statement of Cash Flows below.

Non-current other receivables was reclassified to current other receivables as at 31 December 2023. During the year, the non-current other receivables increased to \$1.08 million in FY2023 from \$0.58 million in FY2022 due to a loan extended to a non-related party pursuant to a strategic partnership and convertible loan agreement and recognition of interest income.

Current trade and other receivables comprise trade receivables from agricultural produce sales, deposits, prepayments and other receivables from the loan extended to a non-related party. Trade and other receivables increased by \$1.23 million in FY2023 to \$1.51 million, from \$0.28 million in FY2022 mainly due to reclassification from non-current other receivables of \$1.08 million and down payments for purchases.

Inventories decreased from \$0.14 million in FY2022 to \$0.12 million in FY2023. The decrease was mainly due to consumption.

Property, plant and equipment decreased from \$6.13 million in FY2022 to \$4.92 million in FY2023. The decrease was mainly due to impairment loss of \$3.10 million in FY2023 and depreciation, partly offset by purchases of plant and equipment.

Intangible assets decreased to \$nil in FY2023 from \$114,000 in FY2022. The decrease was due to an impairment on the goodwill.

Non-current asset classified as held-for-sale is the Group's land development rights in Kota Bahru, Kelantan, Malaysia. The Group's intention is to realise the value of the asset via disposal. Land development rights decreased to \$1.00 million in FY2023 from \$1.07 million in FY2022 mainly due to foreign currency translation loss of Ringgit Malaysia to Singapore Dollar.

Trade and other payables increased from \$2.86 million in FY2022 to \$6.65 million in FY2023 mainly due to borrowings from controlling shareholder of \$2.75 million and recognition of interest on the borrowings.

Bank borrowings decreased from \$0.75 million in FY2022 to \$0.55 million in FY2023 due to repayment.

As a result of the above, net assets of the Group stood at \$0.85 million as at 31 December 2023.

Statement of Cash Flows

The net cash outflow from operating activities for FY2023 was mainly due to overheads incurred in the agricultural segment and corporate holding company. Changes in working capital was mainly due to recognition of payables for works completed and interest expense not yet paid, decrease in inventories, partly offset by increase to down payments for purchases. The Group continued to experience net cash used in operations due to high operating expenditures, not yet offset by revenue. Net cash outflow from investing activities was mainly due to significant purchases of plant and equipment for the high-technology farm and investment loan extended to a non-related party. Net cash inflow from financing activities was due to a decrease in bank deposits that was restricted for use and proceeds from borrowing from controlling shareholder, partly offset by repayment of bank borrowings.

As a result of the above, the Group's cash and cash equivalents balance as reflected in the Statement of Cash Flows as at the end of FY2023 was \$0.30 million.

- 4 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

It was disclosed in the FY2022 Annual Report that the completed high-technology farm is expected to generate revenue and net positive cash flows to the Group in FY2023. The farm had obtained temporary occupation permits on 14 April 2023 on 4 production bays of the greenhouse and 27 September 2023 on the technical block, M&E room and harvesting tanks. The farm did not generate revenue and net positive cash flows to the Group in FY2023 as there was a delay in obtaining the temporary occupation permits.

- 5 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.

Although yields on vegetables grown from the temporary modular farm have been encouraging, costs remain high and stiff competition continue to pose a challenge on margins. The market conditions for the sale of leafy greens are expected to remain challenging.

The Group has obtained temporary occupation permits on the Phase 1 development of the high-technology farm. The farm is testing on the plant and machineries. The Group intends to ramp up production progressively over the next twelve months.

The Group has a 60% subsidiary, M Farm Pte Ltd. M Farm is conducting trial cultivation of mushrooms under a controlled environment designed system.

The Group's investments and operating losses have drawn on the Group's financial resources. The Group continues in exploring for fund-raising opportunities.

- 6 Dividend

- (a) Current Financial Period Reported on

Any dividend recommended for the current financial period reported on?

No dividend is declared.

- (b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend recommended for the current financial period reported on?

No dividend is declared.

- (c) Date payable

Not applicable.

- (d) Record date

Not applicable.

- 7 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 FY2023.

- 8 Breakdown of sales as follows:

	Group		
	12 months ended 31 December		
	31/12/2023	31/12/2022	Change
	\$'000	\$'000	%
(a) Sales reported for the first half year	258	115	> 100
(b) Operating loss after tax before deducting minority interests reported for first half year	(1,044)	(1,357)	(23)
(c) Sales reported for the second half year	284	151	88
(d) Operating loss after tax before deducting minority interests reported for second half year	(4,503)	(3,255)	38

- 9 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	40	Son of Mr Ong Boon Chuan, Executive Director & 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). Elder brother of Mr Ong Kai Hoe, Non-Independent & Non-Executive Director of the Company.	<p>Appointments made in 2014 Executive Director of: - Edition Development Pte Ltd - Edition Global Pte Ltd</p> <p>Appointment made in 2016 Executive Director of: - Meod Pte Ltd</p> <p>Appointment made in 2021 Executive Director of: - M Farm Pte Ltd</p> <p>Duties: Oversee the operations and business development functions for the Group</p>	N/A

- 10 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 and has renewed the mandate on 26 April 2023. Below is the table detailing the value of the interested person transactions for the 12 months ended 31 December 2023:

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)
	\$'000	\$'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 legal, bookkeeping, HR and payroll, IT support, use of office space, utilities and other general corporate administrative activities.	94	-
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: Interest payable on borrowing of \$2,000,000 from B&L Group Pte Ltd at 8% pa over approximately 14 months, \$500,000 at 8% pa over approximately 7.5 months and \$500,000 at 8% pa over approximately 4 months	222 ^	-

As at 31 December 2023, the aggregate value of the transactions entered into with the same interested person amounted to \$316,000. This amount is less than 5% of the group's latest audited net tangible assets.

^ Actual interest expense recognised for the financial year ended 31 December 2023 was \$131,000.

- 11 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 Catalist Rules.

- 12 Disclosures on Acquisition and Realisation of Shares pursuant to Catalist 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 FY2023.

Edition Ltd.
Company Registration No. 200411873E

By order of the Board
Ong Boon Chuan
Executive Director and Chief Executive Officer
29 February 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.

The contact person for the Sponsor is Ms Audrey Mok, at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542, telephone: (65) 6232 3210.