



EDEN INC. BERHAD

(Co. No. 36216-V)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2013**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2013**

	Note	Individual Quarter		Cumulative Quarter	
		2013 Current quarter ended 31-Dec (RM'000)	2012 Corresponding quarter ended 31-Dec (RM'000)	2013 Current year-to-date ended 31-Dec (RM'000)	2012 Corresponding year-to-date ended 31-Dec (RM'000)
Revenue	4	23,889	(15,564)	91,440	91,701
Cost of sales		(11,558)	22,456	(49,060)	(52,856)
Gross profit		12,331	6,892	42,380	38,845
Other income		7,465	21,495	19,059	34,909
Administrative expenses		(12,034)	(10,479)	(39,540)	(32,851)
Selling and marketing expenses		(74)	(333)	(2,203)	(2,399)
Other expenses		(964)	(2,111)	(4,291)	(13,771)
Operating profit		6,724	15,464	15,405	24,733
Finance costs		(2,590)	(1,841)	(10,979)	(11,849)
Share of profit of associates		-	67	-	67
Profit before tax	4, 5	4,134	13,690	4,426	12,951
Income tax expense	20	(3,774)	(1,766)	(10,775)	(2,234)
Profit/(loss) net of tax		360	11,924	(6,349)	10,717
Other comprehensive income:					
Foreign currency translation reserve		-	-	(37)	35
Total comprehensive income/(expense) for the year		360	11,924	(6,386)	10,752
Profit/(loss) attributable to:					
Owners of the parent		150	11,959	(6,536)	10,655
Non-controlling interests		210	(35)	187	62
		360	11,924	(6,349)	10,717
Total comprehensive income/(expense) attributed to:					
Owners of the parent		150	11,959	(6,573)	10,687
Non-controlling interests		210	(35)	187	65
		360	11,924	(6,386)	10,752
Earnings per share attributable to owners of the parent (sen per share)					
- Basic	28	0.05	3.84	(2.10)	3.42
- Diluted		N/A	N/A	N/A	N/A

These Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

EDEN INC. BERHAD (36216-V)
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013**

	Note	As At 31 Dec 2013 RM'000 (Unaudited)	As At 31 Dec 2012 RM'000 (Audited)
Assets			
Non-current Assets			
Property, plant and equipment	10	167,999	185,934
Investment Properties		194,730	191,130
Land use rights		500	500
Finance Lease Receivables		13,842	14,374
Intangible assets		4,211	4,219
Investment in associates		610	860
Other investments		8	8
Deferred tax assets		49,952	50,600
		<u>431,852</u>	<u>447,625</u>
Current Assets			
Inventories		16,513	17,684
Trade and other receivables		68,603	62,666
Finance lease receivables		532	505
Other current assets		4,007	1,205
Cash and bank balances		24,910	28,079
		<u>114,565</u>	<u>110,139</u>
Non-current assets classified as held for sale		-	225
		<u>114,565</u>	<u>110,364</u>
Total assets		<u>546,417</u>	<u>557,989</u>
Equity and liabilities			
Current Liabilities			
Loans and borrowings	24	32,640	30,356
Deferred income		4,844	6,146
Trade and other payables		29,720	34,250
		<u>67,204</u>	<u>70,752</u>
Net current assets		<u>47,361</u>	<u>39,612</u>
Non-current liabilities			
Loans and borrowings	24	140,654	148,861
Deferred income		41,207	38,476
Deferred tax liabilities		8,343	4,283
		<u>190,204</u>	<u>191,620</u>
Total liabilities		<u>257,408</u>	<u>262,372</u>
Net assets		<u>289,009</u>	<u>295,617</u>
Equity attributable to the owners of the parent			
Share capital		311,362	311,362
Other reserves		(31)	6
Accumulated losses		(26,649)	(20,113)
		<u>284,682</u>	<u>291,255</u>
Non-controlling interests		<u>4,327</u>	<u>4,362</u>
Total equity		<u>289,009</u>	<u>295,617</u>
Total equity and liabilities		<u>546,417</u>	<u>557,989</u>
Net assets per share (RM)		0.93	0.95

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

EDEN INC. BERHAD (36216-V)
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
 FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2013**

	----- Attributable to owner of the parent -----					Non-controlling Interest RM'000
	Equity, total RM'000	Equity, attributable to the owners of the parent total RM'000	Share capital RM'000	Other Reserves RM'000	Accumulated losses RM'000	
At 1 January 2012	284,865	280,568	311,362	(26)	(30,768)	4,297
Total comprehensive income	10,752	10,687	-	32	10,655	65
At 31 December 2012	295,617	291,255	311,362	6	(20,113)	4,362
At 1 January 2013	295,617	291,255	311,362	6	(20,113)	4,362
Dividends to non-controlling interests of a subsidiary company	(222)	-	-	-	-	(222)
Total comprehensive expense	(6,386)	(6,573)	-	(37)	(6,536)	187
At 31 December 2013	289,009	284,682	311,362	(31)	(26,649)	4,327

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

EDEN INC. BERHAD (36216-V)
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2013**

	12 months ended	
	31 Dec 2013 RM'000	31 Dec 2012 RM'000
Cash flows from operating activities		
Profit before taxation	4,426	12,951
Adjustment for:		
Interest income	(3,608)	(3,728)
Dividend income from other investment	-	(1)
Interest expense	10,978	11,849
Impairment loss on financial assets	-	5,422
Net fair value adjustment on investment properties	(3,600)	(11,490)
Depreciation and amortisation	18,915	18,762
Amortisation of deferred income	(7,559)	(13,634)
Property, plant and equipment written off	-	122
Write down of inventories	-	84
Gain on disposal of property, plant and equipment	(155)	(10)
Unrealised foreign exchange loss	-	24
Share of profit of associates	-	(67)
Provision for doubtful debts	64	-
Provision for obsolete stocks	12	-
Operating cash flows before changes in working capital	19,473	20,284
<u>Changes in working capital</u>		
Decrease in inventories	1,159	5,482
(Increase)/decrease in trade and other receivables	(2,011)	13,376
Increase/(decrease) in trade and other payables	4,432	(22,471)
Net movement in related companies	(7,153)	(3,652)
Total changes in working capital	(3,573)	(7,265)
Cash generated from operating activities	15,900	13,019
Taxation (paid)/refund	(5,213)	395
Interest paid	(10,978)	(11,849)
Net cash (used in)/generated from operating activities	(291)	1,565
Cash flows from investing activities		
Purchase of property, plant and equipments	(1,071)	(628)
Proceeds from disposal of property, plant and equipments	319	67
Proceeds from disposal of investment property	160	-
Proceeds from disposal of non-current assets classified as held for sales	-	2,685
Dividend received from associate	250	-
Dividend received from other investment	-	1
Interest received	3,608	1,908
Net cash generated from investing activities	3,266	4,033
Cash flows from financing activities		
Increase of deposit with licensed banks and financial institution	380	3,462
Drawdown of Ijarah term loan/Sukuk Musharakah	15,000	80,000
Net repayment of loans and borrowings	(22,408)	(90,646)
Net changes in bankers acceptances, trust receipts and bill purchase	1,171	(976)
Dividend paid to non-controlling interest subsidiary company	(222)	-
Net cash used in financing activities	(6,079)	(8,160)

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
 FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2013**

	12 months ended	
	31 Dec 2013 RM'000	31 Dec 2012 RM'000
Net decrease in cash and cash equivalents	(3,104)	(2,562)
Cash and cash equivalents at start of period	20,537	23,099
Cash and cash equivalents at end of period	17,433	20,537
Cash and cash equivalents comprise the following:		
Cash and bank balances	24,910	28,079
Less:		
Deposits with licensed banks and financial institution	(2,454)	(2,834)
Bank overdraft	(5,023)	(4,708)
	17,433	20,537

The Condensed Consolidated Statements of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2013**

Part A - Explanatory Notes Pursuant to MFRS 134

1. Basis of Preparation

The condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2012.

The explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2012.

2. Significant Accounting Policies

The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2012.

The adoption of the MFRSs and Amendments to MFRSs that came into effect on 1 January 2013 did not have any material impact on the condensed consolidated interim financial statements upon their initial application.

3. Auditors' Report on Preceding Annual Financial Statements

The auditors report on the financial statements for the year ended 31 December 2012 was not subjected to any qualification.

4. Segment Information

3 months ended		12 months ended	
31.12.2013	31.12.2012	31.12.2013	31.12.2012
RM'000	RM'000	RM'000	RM'000

Segment Revenue

Revenue from continuing operations:

Energy Sector	7,077	(31,673)	38,199	38,227
F&B and Tourism Sector	10,267	10,465	31,013	29,869
Manufacturing Sector	6,579	6,290	22,278	23,671
Investment Sector	15,951	16,617	19,639	18,801
Total revenue including inter-segment sales	39,874	1,699	111,129	110,568
Elimination of inter-segment sales	(15,985)	(17,263)	(19,689)	(18,867)
Total	23,889	(15,564)	91,440	91,701

4. Segment Information (cont'd)

3 months ended		12 months ended	
31.12.2013	31.12.2012	31.12.2013	31.12.2012
RM'000	RM'000	RM'000	RM'000

Segment Results

Results from continuing operations:

Energy Sector	(793)	2,540	1,744	2,110
F&B and Tourism Sector	1,985	7,819	4,097	8,748
Manufacturing Sector	576	(16)	63	257
Investment Sector	21,002	20,002	16,547	18,554
Others	(1,698)	3	(1,704)	(148)
	21,072	30,348	20,747	29,521
Elimination	(16,938)	(16,658)	(16,321)	(16,570)
Total	4,134	13,690	4,426	12,951

5. Profit/(Loss) Before Tax

Included in the (loss)/profit before tax are the following items:

3 months ended		12 months ended	
31.12.2013	31.12.2012	31.12.2013	31.12.2012
RM'000	RM'000	RM'000	RM'000

Interest income	(989)	(2,647)	(3,608)	(3,728)
Interest expense	2,590	1,842	10,979	11,849
Depreciation and amortisation	5,059	4,482	18,915	18,323
Amortisation of deferred income	(3,078)	-	(7,559)	-
Gain on disposal of property, plant and equipment	-	-	(155)	-
Net gain from fair value adjustment of investment properties	(3,600)	(6,490)	(3,600)	(11,490)
Provision for doubtful debts	2	-	64	-
Provision for obsolete stocks	(53)	-	12	-

6. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 31 December 2013.

7. Changes in Estimates

There were no changes in estimates that have had a material effect in the current quarter results.

8. Comments about Seasonal or Cyclical Factors

There were no seasonal or cyclical effects for the Energy and Manufacturing Sector. However, the performance of Food & Beverages and Tourism Sector is affected positively by the major festivals and school holidays.

9. Dividends Paid

There was no dividend paid to the shareholders for the current financial period to date.

10. Carrying Amount of Revalued Assets

The carrying amount of property, plant and equipment is recorded at cost and has been brought forward without amendment from the financial statements for the year ended 31 December 2012.

11. Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury in the current quarter.

12. Changes in Composition of the Group

There were no changes in the composition of the Group during the current quarter under review.

13. Capital Commitments

The amount of commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at 31 December 2013 and 31 December 2012 are as follows:

	As at 31.12.2013 RM'000	As at 31.12.2012 RM'000
Capital expenditure		
Approved but not contracted for:		
Property, plant and equipment	5,067	2,181

14. Related Party Transactions

The following table provides information on the transactions which have been entered into with related parties during the period ended 31 December 2013 and 31 December 2012:

	3 months ended		12 months ended	
	31.12.2013 RM'000	31.12.2012 RM'000	31.12.2013 RM'000	31.12.2012 RM'000
Affiliated company:				
Operating fees	1,770	1,950	7,428	6,920
Associates:				
Sale of products	868	996	2,712	4,487
Purchase of products	74	85	285	330

15. Material Events Subsequent to the Reporting Period

There were no material events subsequent to the end of the interim period reported which have not been reflected in the financial statements.

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

16. Performance review

For the current quarter ended 31 December 2013 ("4Q 2013"), the Group recorded revenue of RM23.89 million against the corresponding quarter ended 31 December 2012 ("4Q 2012") of (RM15.56 million), an increase of RM39.45 million. As reported during the 4Q2012, the negative revenue by the Group was due to the reversal of RM70.5 million made in line with the Malaysian Financial Reporting Standard 118 . Revenue. This has arisen from the special fuel supply arrangement with the relevant authority. As the cost of fuel is a pass through item, it has correspondingly reduced the cost of sales as previously reported. The reversal had not resulted in any negative impact on the Group's Profit Before Tax ("PBT"). The PBT registered in 4Q2013 decreased by RM9.56 million compared to RM13.69 million registered in the 4Q 2012. The changes in revenue and PBT were attributable to the following:-

Energy Sector: In the current quarter, the sector recorded revenue of RM7.08 million and Loss Before Tax ("LBT") of RM0.79 million as compared to the corresponding quarter of (RM31.67 million) and PBT of RM2.54 million respectively. The decline in PBT was due to unscheduled repair and maintenance work performed by the sector.

Food & Beverage and Tourism Sector: The sector recorded revenue of RM10.27 million and PBT of RM1.99 million as compared to the corresponding quarter ended 31 December 2012 of RM10.47 million and PBT of RM7.82 million respectively. The lower PBT was primarily attributed to the one off reversal of provision on entertainment duty upon the company received confirmation that it not subject to any entertainment duty by Ministry of Finance on Dec 2012.

Manufacturing Sector: The sector recorded revenue of RM6.58 million and PBT of RM0.58 million as compared to the corresponding quarter of RM6.29 million and LBT of RM0.02 million respectively. The increase in revenue were attributed to the sales contribution from the Light Emitting Diode ("LED") street lighting project.

17. Comment on Material Change in Profit Before Taxation

The Group recorded a PBT of RM4.14 million for the current quarter under review, compared to the LBT of RM0.87 million for the preceding quarter ended 30 September 2013 ("3Q 2013"). The variance was mainly due to gain on fair value of investment properties.

18. Commentary on Prospects

The coming quarter shall remain challenging for the Energy Sector with higher expenditure to be incurred on the ongoing maintenance activities and prolonged dry conditions which may affect its profitability.

The F&B and Tourism Sector expects to contribute positively to the Group in the upcoming quarter via strong demand for its catering services during the festive season and high number of visitors to Underwater World Langkawi (UWL) in conjunction with Visit Malaysia Year 2014.

The Manufacturing Sector expects to improve its revenue in the coming quarter particularly from the sales generated from its new LED product line.

19. Profit Forecast of Profit Guarantee

The Group did not issue any profit forecast or profit guarantee in the current quarter under review.

20. Income Tax Expense

	3 months ended		12 months ended	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
	RM'000	RM'000	RM'000	RM'000
Current tax:				
Malaysian income tax	(2,177)	(1,045)	(6,067)	(1,200)
Deferred tax	(1,597)	(721)	(4,708)	(1,034)
Total income tax expense	<u>(3,774)</u>	<u>(1,766)</u>	<u>(10,775)</u>	<u>(2,234)</u>

The effective tax rates for the year was higher than the statutory tax rate of 25% principally due to the losses of certain subsidiaries which cannot be set off against taxable profits made by other subsidiaries, and certain expenses which are not deductible for tax purposes.

21. Sale of Unquoted Investments and Properties

There were no sales of unquoted investments and properties in the current quarter under review.

22. Quoted Securities

There were no purchase or disposal of quoted securities in the current quarter under review.

23. Corporate Proposals

There were no corporate proposals in the current quarter under review.

24. Loans and Borrowings

Group borrowings and debt securities as at 31 December 2013 and 31 December 2012 denominated in Ringgit Malaysia were:

	As at	As at
	31.12.2013	31.12.2012
	RM'000	RM'000
Short term borrowings		
Secured	32,640	30,356
Long term borrowings		
Secured	140,654	148,861
	<u>173,294</u>	<u>179,217</u>

Included in the short term borrowings are bank overdrafts amounting to RM5.02 million (31 December 2012: RM4.71 million).

25. Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk in the current quarter under review.

26. Changes in Material Litigations

There are no pending material litigation during the current quarter under review.

27. Dividend Payable

No dividend has been declared for the quarter under review.

28. Earnings Per Share ("EPS")

(a) Basic

The basic earnings per share of the Group was calculated by dividing the net profit for the period attributable to the owners of the parent by the weighted average number of ordinary shares in issue to the public as follows:

	3 months ended		12 months ended	
	31.12.2013 RM'000	31.12.2012 RM'000	31.12.2013 RM'000	31.12.2012 RM'000
Profit/(loss) attributable to owners of the parent	150	11,959	(6,536)	10,655
Weighted average number of ordinary shares in issues	311,362	311,362	311,362	311,362
Basic EPS (sen per share)	0.05	3.84	(2.10)	3.42

(b) Diluted

There is no dilution in loss per share.

29. Realised and Unrealised Profits/(Losses)

The breakdown of the retained earnings of the Group as at the reporting date, into realised and unrealised profits/(losses) is tabulated below:

	As at 31.12.2013 RM'000	As at 31.12.2012 RM'000
Total accumulated losses of the Company and subsidiaries		
Realised	(123,542)	(111,556)
Unrealised	156,311	157,395
	32,769	45,839
Total shares of retained earnings of associates		
Realised	104	370
Unrealised	(7)	(7)
	97	363
Consolidation adjustments	(59,515)	(66,315)
Total Group accumulated losses	(26,649)	(20,113)

The determination of realised and unrealised profits is based on the Guidance of Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for the purposes of complying with the disclosure requirement stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

30. Authorisation for Issue

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with resolution of the Directors on 27 February 2014.

By order of the Board.

Date: 27 February 2014