



**EDEN INC. BERHAD**

(Co. No. 36216-V)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2015**

**EDEN INC. BERHAD (36216-V)**  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2015**

	Note	Individual Quarter		Cumulative Quarter	
		2015 Current quarter ended 30.06.2015 (RM'000)	2014 Corresponding quarter ended 30.06.2014 (RM'000)	2015 Current year to date ended 30.06.2015 (RM'000)	2014 Corresponding year to date ended 30.06.2014 (RM'000)
<b>Revenue</b>	4	12,222	18,839	24,848	37,115
Cost of sales		(9,898)	(12,823)	(21,700)	(23,675)
<b>Gross profit</b>		<b>2,324</b>	<b>6,016</b>	<b>3,148</b>	<b>13,440</b>
Other income		2,254	3,242	4,639	9,323
Administrative expenses		(8,069)	(8,725)	(16,300)	(17,737)
Selling and marketing expenses		(473)	(608)	(869)	(1,064)
Other expenses		(771)	(1,033)	(1,625)	(2,033)
<b>Operating profit/(loss)</b>		<b>(4,735)</b>	<b>(1,108)</b>	<b>(11,007)</b>	<b>1,929</b>
Finance costs		(2,256)	(2,520)	(4,613)	(5,060)
Share of profit of associates		-	-	-	-
<b>Profit/(loss) before taxation</b>	4, 5	<b>(6,991)</b>	<b>(3,628)</b>	<b>(15,620)</b>	<b>(3,131)</b>
Income tax expense	20	(63)	(251)	(211)	(682)
<b>Profit/(loss) net of tax</b>		<b>(7,054)</b>	<b>(3,879)</b>	<b>(15,831)</b>	<b>(3,813)</b>
<b>Profit/(loss) attributable to:</b>					
<b>attributable to:</b>					
Owners of the parent		(6,862)	(3,982)	(15,556)	(3,806)
Non-controlling interests		(192)	103	(275)	(7)
		<b>(7,054)</b>	<b>(3,879)</b>	<b>(15,831)</b>	<b>(3,813)</b>
<b>Earnings/(loss) per share attributable to equity holders of the</b>					
<b>Company (sen per share)</b>					
- Basic	28	(2.20)	(1.28)	(5.00)	(1.22)
- 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 2014 and the accompanying explanatory notes attached to the interim financial statements.



**EDEN INC. BERHAD (36216-V)**  
*(Incorporated in Malaysia)*

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2015**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	2015 Current quarter ended 30.06.2015 (RM'000)	2014 Corresponding quarter ended 30.06.2014 (RM'000)	2015 Current year to date ended 30.06.2015 (RM'000)	2014 Corresponding year to date ended 30.06.2014 (RM'000)
<b>Profit/(loss) net of tax</b>	(7,054)	(3,879)	(15,831)	(3,813)
<b>Other comprehensive income/(expense):</b>				
Foreign currency translation reserve	-	37	-	-
<b>Total comprehensive income/(expense) for the year</b>	<b>(7,054)</b>	<b>(3,842)</b>	<b>(15,831)</b>	<b>(3,813)</b>
<b>Total comprehensive income/(expense) attributable to:</b>				
Owners of the parent	(6,862)	(3,949)	(15,556)	(3,806)
Non-controlling interests	(192)	107	(275)	(7)
	<b>(7,054)</b>	<b>(3,842)</b>	<b>(15,831)</b>	<b>(3,813)</b>

These Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 30 JUNE 2015

	Note	As At 30.06.2015 RM'000 (Unaudited)	As At 31.12.2014 RM'000 (Audited)
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	10	144,500	152,977
Investment properties		175,634	198,343
Land use rights		417	417
Finance lease receivables		12,984	13,280
Intangible assets		4,206	4,206
Investment in associates		632	632
Other investments		8	8
Deferred tax assets		52,403	52,668
		<u>390,784</u>	<u>422,531</u>
<b>Current assets</b>			
Inventories		20,542	21,278
Trade and other receivables		61,910	57,256
Finance lease receivables		577	562
Other current assets		2,127	1,400
Cash and bank balances		4,286	11,863
		<u>89,442</u>	<u>92,359</u>
Non-current assets classified as held for sale	13	22,709	-
		<u>112,151</u>	<u>92,359</u>
<b>Total assets</b>		<b><u>502,935</u></b>	<b><u>514,890</u></b>
<b>Equity and liabilities</b>			
<b>Current liabilities</b>			
Deferred income		4,739	5,992
Loans and borrowings	24	35,400	33,025
Trade and other payables		55,678	43,605
		<u>95,817</u>	<u>82,622</u>
<b>Net current assets</b>		<u>16,334</u>	<u>9,737</u>
<b>Non-current liabilities</b>			
Deferred income		29,726	29,996
Loans and borrowings	24	109,744	118,086
Deferred tax liabilities		3,737	4,444
		<u>143,207</u>	<u>152,526</u>
<b>Total liabilities</b>		<u>239,024</u>	<u>235,148</u>
<b>Net assets</b>		<u>263,911</u>	<u>279,742</u>
<b>Equity attributable to equity holders of the Company</b>			
Share capital		311,362	311,362
Other reserves		(136)	(136)
Accumulated losses		(51,307)	(35,751)
		<u>259,919</u>	<u>275,475</u>
<b>Non-controlling interests</b>		<u>3,992</u>	<u>4,267</u>
<b>Total equity</b>		<u>263,911</u>	<u>279,742</u>
<b>Total equity and liabilities</b>		<b><u>502,935</u></b>	<b><u>514,890</u></b>
Net assets per share (RM)		0.85	0.90

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2015

Note	Equity, total RM'000	----- Attributable to owners of the parent -----   ----- Non-distributable -----				Non- controlling Interest RM'000
		Equity, attributable to the parent total RM'000	Share capital RM'000	Other Reserves RM'000	Accumulated losses RM'000	
<b>At 1 January 2015</b>	279,742	275,475	311,362	(136)	(35,751)	4,267
Total comprehensive income/(expense)	(15,831)	(15,556)	-	-	(15,556)	(275)
<b>At 30 June 2015</b>	<b>263,911</b>	<b>259,919</b>	<b>311,362</b>	<b>(136)</b>	<b>(51,307)</b>	<b>3,992</b>
<b>At 1 January 2014</b>	288,668	284,376	311,362	(64)	(26,922)	4,292
Total comprehensive income/(expense)	(3,813)	(3,806)	-	-	(3,806)	(7)
<b>At 30 June 2014</b>	<b>284,855</b>	<b>280,570</b>	<b>311,362</b>	<b>(64)</b>	<b>(30,728)</b>	<b>4,285</b>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2015**

	6 months ended	
	30.06.2015 RM'000	30.06.2014 RM'000
<b>Cash flow from operating activities</b>		
Profit/(loss) before taxation	(15,620)	(3,131)
Adjustment for:		
Interest income	(428)	(1,742)
Interest expense	4,614	5,059
Net fair value adjustment on investment properties	-	(3,396)
Depreciation and amortisation	8,904	9,132
Amortisation of deferred income	(2,507)	(2,423)
Operating cash flows before changes in working capital	(5,037)	3,499
<u>Changes in working capital</u>		
Decrease/(increase) in inventories	736	(484)
Decrease/(increase) in trade and other receivables	(1,870)	(3,741)
Increase/(decrease) in trade and other payables	12,672	4,004
Net movement in related companies	(3,287)	2,939
Total changes in working capital	8,251	2,718
Cash generated from operating activities	3,214	6,217
Taxation paid	(211)	(682)
Interest paid	(4,614)	(5,059)
<b>Net cash generated from/(used in) operating activities</b>	(1,611)	476
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipments	(427)	(473)
Interest received	428	1,742
<b>Net cash generated from investing activities</b>	1	1,269
<b>Cash flows from financing activities</b>		
Decrease/(increase) of deposit with licensed banks and financial institution	7,376	1,097
Net repayment of loans and borrowings	(8,815)	(14,095)
Net changes in bankers acceptances, trust receipts and bill purchase	(80)	477
<b>Net cash (used in)/generated from financing activities</b>	(1,519)	(12,521)
Net decrease in cash and cash equivalents	(3,129)	(10,776)
Cash and cash equivalent at beginning of year	(1,754)	16,940
<b>Cash and cash equivalents at end of period</b>	<b>(4,883)</b>	<b>6,164</b>
<b>Cash and cash equivalents comprise the following:</b>		
Cash and bank balances	4,286	12,993
Deposits with licensed banks and financial institution	(1,215)	(1,850)
Bank overdraft	(7,954)	(4,979)
	<b>(4,883)</b>	<b>6,164</b>

The Condensed Consolidated Statements of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2014 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 30 JUNE 2015**

**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 2014.

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 2014.

**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 2014.

The adoption of the Amendments to MFRSs and Issues Committee (IC) that came into effect on 1 January 2015 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 2014 was not subject to any qualification.

**4. Segment Information**

3 months ended		6 months ended	
30.06.2015	30.06.2014	30.06.2015	30.06.2014
RM'000	RM'000	RM'000	RM'000

**Segment Revenue**

Revenue from continuing operations:

Energy Sector	1,081	5,287	957	12,205
F&B and Tourism Sector	6,249	6,616	12,706	13,474
Manufacturing Sector	4,452	6,936	10,744	11,436
Investment Sector	928	547	1,391	1,094
Total revenue including inter-segment sales	12,710	19,386	25,798	38,209
Elimination of inter-segment sales	(488)	(547)	(950)	(1,094)
Total	12,222	18,839	24,848	37,115

#### 4. Segment Information (cont'd)

3 months ended		6 months ended	
30.06.2015	30.06.2014	30.06.2015	30.06.2014
RM'000	RM'000	RM'000	RM'000

##### Segment Results

Results from continuing operations:

Energy Sector	(6,865)	(2,910)	(15,089)	(4,266)
F&B and Tourism Sector	832	(112)	834	32
Manufacturing Sector	(453)	288	(607)	(62)
Investment Sector	(349)	(897)	(228)	1,164
Others	-	-	-	-
	(6,835)	(3,631)	(15,090)	(3,132)
Elimination	(156)	3	(530)	1
Total	(6,991)	(3,628)	(15,620)	(3,131)

#### 5. Profit/(Loss) Before Tax

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

3 months ended		6 months ended	
30.06.2015	30.06.2014	30.06.2015	30.06.2014
RM'000	RM'000	RM'000	RM'000

Interest income	(198)	(859)	(428)	(1,742)
Interest expense	2,273	2,520	4,613	5,060
Depreciation and amortisation	8,904	4,556	8,904	9,132
Amortisation of deferred income	(1,253)	(1,212)	(2,507)	(2,423)
Net gain from fair value adjustment of investment properties	-	-	-	(3,396)

#### 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 30 June 2015.

#### 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 2014.

**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. Non-Current Assets Classified as Held fo Sale**

The non-current assets classified as held for sale as the reporting date are as follows:

	As at 30.06.2015 RM'000	As at 31.12.2014 RM'000
<b>Assets</b>		
Investment property	22,709	-

The Group had entered into a Sale and Purchase Agreement on 25 June 2015 with GIP Development Sdn. Bhd. for the disposal of a piece of vacant industrial land for a total consideration of RM22,709,243.70. We have yet to obtain the consent from the state government of the above transaction. The announcement on the above transaction made on 26 June 2015.

**14. Capital Commitments**

The amount of commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at 30 June 2015 and 31 December 2014 are as follows:

	As at 30.06.2015 RM'000	As at 31.12.2014 RM'000
<b>Capital expenditure</b>		
Approved but not contracted for:		
Property, plant and equipment	4,886	5,014

**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 Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

### **16. Performance review**

The consolidated revenue of the Group for the current quarter ended 30 June 2015 ("2Q 2015") decreased by RM6.62 million against the corresponding quarter ended 30 June 2014 ("2Q 2014"). The Group recorded Loss Before Tax ("LBT") of RM6.99 million, as compared to the LBT of RM3.63 million in 2Q 2014. This was due to the power plants not being fully operational for the quarter.

**Energy Sector:** In the current quarter, the sector recorded revenue of RM1.08 million and LBT of RM6.86 million as compared to the corresponding quarter of revenue of RM5.29 million and LBT of RM2.91 million respectively. This was due to the diesel power plant not being operational in the 2Q 2015 compared to 2Q 2014. In addition the floods that affected the hydro plant in Kenerong contributed to the losses of the sector.

**Manufacturing Sector:** The sector recorded revenue of RM4.45 million and LBT of RM0.45 million as compared to the corresponding quarter of RM6.94 million and Profit Before Tax ("PBT") of RM0.29 million respectively. The loss recorded was mainly due to the lower sales generated from the local market and LED lightings.

**Food & Beverage and Tourism Sector:** The sector recorded higher PBT in 2Q 2015, an increase of RM0.94 million as compared to the 2Q 2014. The higher profit was mainly a result of lower operating expenses compared to 2Q 2014.

### **17. Comment on Material Change in Loss Before Taxation**

The Group recorded lower losses for the current quarter under review where the Group recorded an LBT of RM6.99 million compared to the LBT of RM8.63 million for the preceding quarter ended 31 March 2015 ("1Q 2015"). The positive variance was primarily due to the revenue contributed from the Energy Sector compared to the 1Q 2015 when it was not operational.

### **18. Commentary on Prospects**

Despite the challenging environment that the Group has to operate in, the Energy Sector will ensure that its two plants are fully operational in the second half of 2015, which will contribute positively to the Group.

The F&B and Tourism Sector is expected to improve its performance via its Tourism segment as well as via Eden Catering which has commenced its operations based at the Persatuan Alumni Universiti Malaya's Clubhouse which offers banquet, seminar and meeting facilities.

The Manufacturing Sector will strive to maintain its market share in the local market despite the possible slowdown of the construction sector. In addition, the sector will pursue its strategy of establishing stronger market share in the emerging LED market as well as improving its export sales.

#### 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		6 months ended	
	30.06.2015 RM'000	30.06.2014 RM'000	30.06.2015 RM'000	30.06.2014 RM'000
Current tax:				
Malaysian income tax	(63)	(172)	(211)	(268)
Deferred tax	-	(79)	-	(414)
<b>Total income tax expense</b>	<b>(63)</b>	<b>(251)</b>	<b>(211)</b>	<b>(682)</b>

The effective tax rate 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 loans and borrowings as at 30 June 2015 and 31 December 2014 denominated in Ringgit Malaysia were:

	As at 30.06.2015 RM'000	As at 31.12.2014 RM'000
<b>Current</b>		
Secured	56,798	33,025
<b>Non-current</b>		
Secured	88,345	118,086
<b>Total loans and borrowings</b>	<b>145,143</b>	<b>151,111</b>

Included in the short term borrowings are bank overdrafts amounting to RM7.95 million (31 December 2014: RM5.03 million).

**25. Off Balance Sheet Financial Instruments**

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

**26. Changes in Material Litigation**

There are no material litigation as at the reporting date.

**27. Dividend Payable**

No dividend has been declared for the quarter under review.

**28. Earnings/(Loss) Per Share**

**(a) Basic**

The basic earnings/(loss) 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		6 months ended	
	30.06.2015 RM'000	30.06.2014 RM'000	30.06.2015 RM'000	30.06.2014 RM'000
Profit/(loss) attributable to to owners of the parent	(6,862)	(3,982)	(15,556)	(3,806)
Weighted average number of ordinary shares in issues	311,362	311,362	311,362	311,362
Basic earnings/(loss) per share (sen)	(2.20)	(1.28)	(5.00)	(1.22)

**(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 30.06.2015 RM'000	As at 31.12.2014 RM'000
Total accumulated losses of the Company and subsidiaries		
Realised	(160,444)	(144,628)
Unrealised	166,980	166,402
	<u>6,536</u>	<u>21,774</u>
Total shares of retained earnings of associates		
Realised	113	113
Unrealised	(4)	(4)
	<u>109</u>	<u>109</u>
Consolidation adjustments	(57,952)	(57,634)
Total Group accumulated losses	<u>(51,307)</u>	<u>(35,751)</u>

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 26 August 2015.

By order of the Board.

Date: 27 August 2015