



EDEN INC. BERHAD

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

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



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

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

	Note	Individual Quarter		Cumulative Quarter	
		2015 Current quarter ended 30.09.2015 (RM'000)	2014 Corresponding quarter ended 30.09.2014 (RM'000)	2015 Current year to date ended 30.09.2015 (RM'000)	2014 Corresponding year to date ended 30.09.2014 (RM'000)
Revenue	4	12,569	17,245	36,951	54,360
Cost of sales		(10,416)	(13,920)	(32,116)	(37,596)
Gross profit		2,153	3,325	4,835	16,764
Other income		14,056	6,327	19,160	15,650
Administrative expenses		(9,079)	(9,612)	(25,379)	(27,349)
Selling and marketing expenses		(421)	(503)	(1,290)	(1,567)
Other expenses		(665)	(1,064)	(2,291)	(3,097)
Operating profit/(loss)		6,044	(1,527)	(4,965)	401
Finance costs		(2,112)	(2,616)	(6,725)	(7,676)
Share of profit of associates		-	-	-	-
Profit/(loss) before taxation	4, 5	3,932	(4,143)	(11,690)	(7,275)
Income tax expense	21	(1,185)	(101)	(1,396)	(783)
Profit/(loss) net of tax		2,747	(4,244)	(13,086)	(8,058)
Profit/(loss) attributable to:					
attributable to:					
Owners of the parent		2,854	(4,306)	(12,704)	(8,113)
Non-controlling interests		(107)	62	(382)	55
		2,747	(4,244)	(13,086)	(8,058)
Earnings/(loss) per share attributable to equity holders of the Company (sen per share)					
- Basic	29	0.92	(1.38)	(4.08)	(2.61)
- 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 SEPTEMBER 2015**

	Individual Quarter		Cumulative Quarter	
	2015 Current quarter ended 30.09.2015 (RM'000)	2014 Corresponding quarter ended 30.09.2014 (RM'000)	2015 Current year to date ended 30.09.2015 (RM'000)	2014 Corresponding year to date ended 30.09.2014 (RM'000)
Profit/(loss) net of tax	2,747	(4,244)	(13,086)	(8,058)
Other comprehensive income/(expense):				
Foreign currency translation reserve	-	-	-	-
Total comprehensive income/(expense) for the year	<u>2,747</u>	<u>(4,244)</u>	<u>(13,086)</u>	<u>(8,058)</u>
Total comprehensive income/(expense) attributable to:				
Owners of the parent	2,854	(4,306)	(12,704)	(8,113)
Non-controlling interests	(107)	62	(382)	55
	<u>2,747</u>	<u>(4,244)</u>	<u>(13,086)</u>	<u>(8,058)</u>

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 SEPTEMBER 2015

	Note	As At 30.09.2015 RM'000 (Unaudited)	As At 31.12.2014 RM'000 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	10	140,598	152,977
Investment properties		169,148	198,343
Land use rights		417	417
Finance lease receivables		12,835	13,280
Intangible assets		4,206	4,206
Investment in associates		632	632
Other investments		8	8
Deferred tax assets		52,406	52,668
		<u>380,250</u>	<u>422,531</u>
Current assets			
Inventories		21,554	21,278
Trade and other receivables		60,174	57,256
Finance lease receivables		585	562
Other current assets		2,218	1,400
Cash and bank balances		4,353	11,863
		<u>88,884</u>	<u>92,359</u>
Non-current assets classified as held for sale	13	22,709	-
		<u>111,593</u>	<u>92,359</u>
Total assets		<u>491,843</u>	<u>514,890</u>
Equity and liabilities			
Current liabilities			
Deferred income		4,739	5,992
Loans and borrowings	24	34,167	33,025
Trade and other payables		55,160	43,605
		<u>94,066</u>	<u>82,622</u>
Net current assets		<u>17,527</u>	<u>9,737</u>
Non-current liabilities			
Deferred income		24,246	29,996
Loans and borrowings	24	103,014	118,086
Deferred tax liabilities		3,861	4,444
		<u>131,121</u>	<u>152,526</u>
Total liabilities		<u>225,187</u>	<u>235,148</u>
Net assets		<u>266,656</u>	<u>279,742</u>
Equity attributable to equity holders of the Company			
Share capital		311,362	311,362
Other reserves		(136)	(136)
Accumulated losses		(48,455)	(35,751)
		<u>262,771</u>	<u>275,475</u>
Non-controlling interests		<u>3,885</u>	<u>4,267</u>
Total equity		<u>266,656</u>	<u>279,742</u>
Total equity and liabilities		<u>491,843</u>	<u>514,890</u>
Net assets per share (RM)		0.86	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 SEPTEMBER 2015

Note	----- Attributable to owners of the parent -----					
	Equity, total RM'000	Equity, attributable to the parent total RM'000	Share capital RM'000	Other Reserves RM'000	Accumulated losses RM'000	Non- controlling Interest RM'000
At 1 January 2015	279,742	275,475	311,362	(136)	(35,751)	4,267
Total comprehensive income/(expense)	(13,086)	(12,704)	-	-	(12,704)	(382)
At 30 September 2015	266,656	262,771	311,362	(136)	(48,455)	3,885
At 1 January 2014	288,668	284,376	311,362	(64)	(26,922)	4,292
Total comprehensive income/(expense)	(8,058)	(8,113)	-	-	(8,113)	55
At 30 September 2014	280,610	276,263	311,362	(64)	(35,035)	4,347

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 SEPTEMBER 2015**

	9 months ended	
	30.09.2015 RM'000	30.09.2014 RM'000
Cash flow from operating activities		
Profit/(loss) before taxation	(11,690)	(7,275)
Adjustment for:		
Interest income	(648)	(2,596)
Interest expense	6,725	7,676
Net fair value adjustment on investment properties	29,195	(3,396)
Depreciation and amortisation	13,058	13,711
Amortisation of deferred income	(7,987)	(4,719)
Operating cash flows before changes in working capital	28,653	3,401
<u>Changes in working capital</u>		
Decrease/(increase) in inventories	(276)	(62)
Decrease/(increase) in trade and other receivables	212	1,914
Increase/(decrease) in trade and other payables	12,506	3,484
Net movement in related companies	(3,814)	2,225
Total changes in working capital	8,628	7,561
Cash generated from operating activities	37,281	10,962
Taxation paid	(1,396)	(783)
Interest paid	(6,725)	(7,675)
Net cash generated from/(used in) operating activities	29,160	2,504
Cash flows from investing activities		
Purchase of property, plant and equipments	(23,388)	1,260
Interest received	648	2,596
Net cash generated from investing activities	(22,740)	3,856
Cash flows from financing activities		
Decrease/(increase) of deposit with licensed banks and financial institution	7,368	1,097
Net repayment of loans and borrowings	(16,774)	(18,214)
Net changes in bankers acceptances, trust receipts and bill purchase	(198)	665
Net cash (used in)/generated from financing activities	(9,604)	(16,452)
Net decrease in cash and cash equivalents	(3,184)	(10,092)
Cash and cash equivalent at beginning of year	(1,754)	16,940
Cash and cash equivalents at end of period	(4,938)	6,848
Cash and cash equivalents comprise the following:		
Cash and bank balances	4,353	13,447
Deposits with licensed banks and financial institution	(1,223)	(1,850)
Bank overdraft	(8,068)	(4,749)
	(4,938)	6,848

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 SEPTEMBER 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		9 months ended	
30.09.2015	30.09.2014	30.09.2015	30.09.2014
RM'000	RM'000	RM'000	RM'000

Segment Revenue

Revenue from continuing operations:

Energy Sector	921	3,721	1,878	15,926
F&B and Tourism Sector	6,243	6,669	18,949	20,143
Manufacturing Sector	5,380	6,855	16,124	18,291
Investment Sector	463	547	1,389	1,641
Total revenue including inter-segment sales	13,007	17,792	38,340	56,001
Elimination of inter-segment sales	(438)	(547)	(1,389)	(1,641)
Total	12,569	17,245	36,951	54,360

4. Segment Information (cont'd)

3 months ended		9 months ended	
30.09.2015	30.09.2014	30.09.2015	30.09.2014
RM'000	RM'000	RM'000	RM'000

Segment Results

Results from continuing operations:

Energy Sector	(4,628)	(2,412)	(19,716)	(6,678)
F&B and Tourism Sector	4,469	(560)	5,303	(528)
Manufacturing Sector	(162)	139	(770)	77
Investment Sector	4,232	(1,310)	4,005	(146)
	3,911	(4,143)	(11,178)	(7,275)
Elimination	21	-	(512)	-
Total	3,932	(4,143)	(11,690)	(7,275)

5. Profit/(Loss) Before Tax

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

3 months ended		9 months ended	
30.09.2015	30.09.2014	30.09.2015	30.09.2014
RM'000	RM'000	RM'000	RM'000

Interest income	(220)	(854)	(648)	(2,596)
Interest expense	2,112	2,616	6,725	7,676
Depreciation and amortisation	4,154	4,579	13,058	13,711
Amortisation of deferred income	(3,862)	(5,521)	(6,369)	(6,732)
Gain on land acquisition by JKR	(3,636)	-	(3,636)	-
Net gain from fair value adjustment of investment properties	(2,508)	-	(2,508)	(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 September 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 to Sale

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

	As at 30.09.2015 RM'000	As at 31.12.2014 RM'000
Assets		
Investment property	22,709	-

The Group had entered into Sale and Purchase Agreement on 25 June 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 received consent from state government of Pahang and currently the purchaser awaiting confirmation from Economic Planning Unit (EPU).

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 September 2015 and 31 December 2014 are as follows:

	As at 30.09.2015 RM'000	As at 31.12.2014 RM'000
Capital expenditure		
Approved but not contracted for:		
Property, plant and equipment	4,886	5,014
	<u>4,886</u>	<u>5,014</u>

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

Profit Before Tax ("PBT") for the current quarter ended 30 September 2015 ("3Q 2015") was RM3.93 million, an increase of 195% from Loss Before Tax ("Loss Before Tax") of RM4.14 million in the quarter ended 30 September 2014 ("3Q 2014"). The increase in PBT was mainly due to recognition of gain on land acquisition by government, gain on fair value of additional land upon issuance of final title as well as reversal of provision for entertainment duty during the quarter.

Energy Sector: In the current quarter, the sector recorded revenue of RM0.92 million and LBT of RM4.63 million as compared to the corresponding quarter of RM3.72 million and RM2.1 million respectively. The higher loss recorded was mainly due to both power plants not being fully operational.

Manufacturing Sector: The sector recorded revenue of RM5.38 million and LBT of RM0.16 million as compared to the corresponding quarter of RM6.86 million and Profit Before Tax ("PBT") of RM0.14 million respectively. The loss recorded was mainly due to the lower sales generated from the LED lightings and export market.

Food & Beverage and Tourism Sector: The sector recorded higher PBT in 3Q 2015, an increase of RM5.03 million as compared to the 3Q 2014. The higher profit was resulted mainly from reversals made during the quarter on provision for entertainment duty.

17. Comment on Material Change in Loss Before Taxation

The Group recorded PBT of RM3.93 million for the current quarter under review, compared to the LBT of RM6.99 million for the preceding quarter ended 30 June 2015 (2Q 2015). The positive variance was mainly arising from gain on land acquisition by government, gain on fair value of additional land upon issuance of final title as well as reversal of provision for entertainment duty in 3Q 2015.

18. Commentary on Prospects

The F&B and Tourism Sector is expected to continue to contribute positively to the performance of the Group via Eden Catering with its new operations at Aroma Cafe and its catering services F&B venue which offers banquet, seminar, and meeting facilities.

As for the Energy Sector, with the relevant input from the industry stakeholders namely the utility companies and the authorities, the effort to recommence the plant operations had been intensified such that we anticipate the plant to be operational by early 2016.

The Manufacturing Sector will maintain its market share in the local market despite the challenging business conditions. 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 by taking advantage on the current weaker ringgit.

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		9 months ended	
	30.09.2015 RM'000	30.09.2014 RM'000	30.09.2015 RM'000	30.09.2014 RM'000
Current tax:				
Malaysian income tax	6	(87)	(205)	(355)
Deferred tax	(1,191)	(14)	(1,191)	(428)
Total income tax expense	(1,185)	(101)	(1,396)	(783)

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 September 2015 and 31 December 2014 denominated in Ringgit Malaysia were:

	As at 30.09.2015 RM'000	As at 31.12.2014 RM'000
Current		
Secured	34,167	33,025
Non-current		
Secured	103,014	118,086
Total loans and borrowings	<u>137,181</u>	<u>151,111</u>

Included in the short term borrowings are bank overdrafts amounting to RM8.07 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		9 months ended	
	30.09.2015 RM'000	30.09.2014 RM'000	30.09.2015 RM'000	30.09.2014 RM'000
Profit/(loss) attributable to to owners of the parent	2,854	(4,306)	(12,704)	(8,113)
Weighted average number of ordinary shares in issues	311,362	311,362	311,362	311,362
Basic earnings/(loss) per share (sen)	0.92	(1.38)	(4.08)	(2.61)

(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 30.09.2015 RM'000	As at 31.12.2014 RM'000
Total accumulated losses of the Company and subsidiaries		
Realised	(157,471)	(144,628)
Unrealised	166,859	166,402
	<u>9,388</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>(48,455)</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.

31. 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 November 2015.

By order of the Board

Date: 27 November 2015