



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 2015**



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

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2015**

	Note	Individual Quarter		Cumulative Quarter	
		2015 Current quarter ended 31.12.2015 (RM'000)	2014 Corresponding quarter ended 31.12.2014 (RM'000)	2015 Current year to date ended 31.12.2015 (RM'000)	2014 Corresponding year to date ended 31.12.2014 (RM'000)
Revenue	4	14,124	15,373	51,076	69,733
Cost of sales		(13,193)	(11,718)	(45,309)	(49,313)
Gross profit		931	3,655	5,767	20,420
Other income		6,235	5,806	25,396	21,456
Administrative expenses		(10,986)	(11,636)	(36,367)	(38,989)
Selling and marketing expenses		(880)	(466)	(2,171)	(2,033)
Other expenses		(11,773)	(1,087)	(14,064)	(4,184)
Operating profit/(loss)		(16,473)	(3,728)	(21,439)	(3,330)
Finance costs		(2,703)	(2,356)	(9,428)	(10,032)
Share of profit of associates		18	(8)	18	(8)
Profit/(loss) before taxation	4, 5	(19,158)	(6,092)	(30,849)	(13,370)
Income tax expense	19	(14,960)	5,347	(16,356)	4,564
Profit/(loss) net of tax		(34,118)	(745)	(47,205)	(8,806)
Profit/(loss) attributable to: attributable to:					
Owners of the parent		(33,735)	(711)	(46,447)	(8,828)
Non-controlling interests		(383)	(34)	(758)	22
		(34,118)	(745)	(47,205)	(8,806)
Earnings/(loss) per share attributable to equity holders of the Company (sen per share)					
- Basic	27	(10.83)	(0.23)	(14.92)	(2.84)
- 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 31 DECEMBER 2015**

	Individual Quarter		Cumulative Quarter	
	2015 Current quarter ended 31.12.2015 (RM'000)	2014 Corresponding quarter ended 31.12.2014 (RM'000)	2015 Current year to date ended 31.12.2015 (RM'000)	2014 Corresponding year to date ended 31.12.2014 (RM'000)
Profit/(loss) net of tax	(34,118)	(745)	(47,205)	(8,806)
Other comprehensive income/(expense):				
Foreign currency translation reserve	(85)	(81)	(85)	(81)
Total comprehensive income/(expense) for the year	(34,203)	(826)	(47,290)	(8,887)
Total comprehensive income/(expense) attributable to:				
Owners of the parent	(33,811)	(784)	(46,523)	(8,901)
Non-controlling interests	(392)	(42)	(767)	14
	(34,203)	(826)	(47,290)	(8,887)

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 31 DECEMBER 2015**

	Note	As At 31.12.2015 RM'000 (Unaudited)	As At 31.12.2014 RM'000 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	10	137,466	152,977
Investment properties		168,377	198,343
Land use rights		375	417
Finance lease receivables		12,687	13,280
Intangible assets		-	4,206
Investment in associates		400	632
Other investments		8	8
Other receivables		36,446	-
Deferred tax assets		38,054	52,668
		<u>393,813</u>	<u>422,531</u>
Current assets			
Inventories		21,478	21,278
Trade and other receivables		18,286	57,256
Finance lease receivables		593	562
Other current assets		988	1,400
Cash and bank balances		15,665	11,863
		<u>57,010</u>	<u>92,359</u>
Total assets		<u>450,823</u>	<u>514,890</u>
Equity and liabilities			
Current liabilities			
Deferred income		5,536	5,992
Loans and borrowings	23	35,558	33,025
Trade and other payables		58,112	43,605
		<u>99,206</u>	<u>82,622</u>
Net current assets		<u>(42,196)</u>	<u>9,737</u>
Non-current liabilities			
Deferred income		19,958	29,996
Loans and borrowings	23	96,451	118,086
Deferred tax liabilities		2,756	4,444
		<u>119,165</u>	<u>152,526</u>
Total liabilities		<u>218,371</u>	<u>235,148</u>
Net assets		<u>232,452</u>	<u>279,742</u>
Equity attributable to equity holders of the Company			
Share capital		311,362	311,362
Other reserves		(221)	(136)
Accumulated losses		(82,198)	(35,751)
		<u>228,943</u>	<u>275,475</u>
Non-controlling interests		3,509	4,267
Total equity		<u>232,452</u>	<u>279,742</u>
Total equity and liabilities		<u>450,823</u>	<u>514,890</u>
Net assets per share (RM)		0.75	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 31 DECEMBER 2015

Note	Equity, total RM'000	----- Attributable to owners of the parent -----				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	
At 1 January 2015	279,742	275,475	311,362	(136)	(35,751)	4,267
Total comprehensive income/(expense)	(47,290)	(46,532)	-	(85)	(46,447)	(758)
At 31 December 2015	232,452	228,943	311,362	(221)	(82,198)	3,509
At 1 January 2014	288,667	284,375	311,362	(64)	(26,923)	4,292
Disposal of a subsidiary	(39)	-	-	-	-	(39)
Total comprehensive income/(expense)	(8,886)	(8,900)	-	(72)	(8,828)	14
At 31 December 2014	279,742	275,475	311,362	(136)	(35,751)	4,267

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 31 DECEMBER 2015**

	12 months ended	
	31.12.2015 RM'000	31.12.2014 RM'000
Cash flow from operating activities		
Profit/(loss) before taxation	(30,849)	(13,370)
Adjustment for:		
Interest income	(897)	(3,464)
Interest expense	9,428	10,032
Net fair value adjustment on investment properties	(2,554)	(3,613)
Net gain on land acquisition by government	(3,166)	-
Depreciation and amortisation	17,399	18,306
Amortisation of development costs	-	5
Amortisation of deferred income	(11,478)	(9,083)
Property, plant and equipment and inventories written off	-	32
Net gain on disposal of property, plant and equipment	-	(108)
Loss on disposal of a subsidiary	-	65
Unrealised foreign exchange loss	-	(21)
Share of profit of associates	232	8
Operating cash flows before changes in working capital	<u>(21,885)</u>	<u>(1,211)</u>
Changes in working capital		
Decrease/(increase) in inventories	(200)	(4,353)
Decrease/(increase) in trade and other receivables	19,219	11,480
Decrease/(increase) in other current assets	-	111
Increase/(decrease) in trade and other payables	14,354	12,635
Net movement in related companies	<u>2,464</u>	<u>3,266</u>
Cash generated from operating activities	13,952	21,928
Taxation paid	(16,356)	(10,229)
Interest paid	<u>(9,428)</u>	<u>(1,171)</u>
Net cash generated from/(used in) operating activities	<u>(11,832)</u>	<u>10,528</u>
Cash flows from investing activities		
Purchase of property, plant and equipments	(1,846)	(2,952)
Proceeds from disposal of property, plant and equipments	-	169
Proceeds from disposal / land acquisition of investment properties	35,685	-
Net cash outflow on disposal of a subsidiary	-	(25)
Interest received	<u>897</u>	<u>1,675</u>
Net cash generated from/(used in) investing activities	<u>34,736</u>	<u>(1,133)</u>
Cash flows from financing activities		
Decrease/(increase) of deposit with licensed banks and financial institution	(4,914)	3,705
Net repayment of loans and borrowings	(21,066)	(23,096)
Net changes in bankers acceptances, trust receipts and bill purchase	(940)	652
Net cash (used in)/generated from financing activities	<u>(26,920)</u>	<u>(18,739)</u>
Net decrease in cash and cash equivalents	(4,016)	(9,344)
Cash and cash equivalent at beginning of year	(1,754)	7,590
Cash and cash equivalents at end of period	<u>(5,770)</u>	<u>(1,754)</u>
Cash and cash equivalents comprise the following:		
Cash and bank balances	15,665	11,863
Deposits with licensed banks and financial institution	(13,505)	(8,592)
Bank overdraft	<u>(7,930)</u>	<u>(5,025)</u>
	<u>(5,770)</u>	<u>(1,754)</u>

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 31 DECEMBER 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		12 months ended	
31.12.2015	31.12.2014	31.12.2015	31.12.2014
RM'000	RM'000	RM'000	RM'000

Segment Revenue

Revenue from continuing operations:

Energy Sector	1,072	977	2,951	16,903
F&B and Tourism Sector	7,377	7,686	26,326	27,829
Manufacturing Sector	4,775	6,732	20,899	25,023
Investment Sector	463	15,547	1,852	17,188
Others	900	-	900	-
Total revenue including inter-segment sales	14,587	30,942	52,928	86,943
Elimination of inter-segment sales	(463)	(15,569)	(1,852)	(17,210)
Total	14,124	15,373	51,076	69,733

4. Segment Information (cont'd)

3 months ended		12 months ended	
31.12.2015	31.12.2014	31.12.2015	31.12.2014
RM'000	RM'000	RM'000	RM'000

Segment Results

Results from continuing operations:

Energy Sector	(13,154)	(4,860)	(32,871)	(11,538)
F&B and Tourism Sector	1,650	272	6,954	(255)
Manufacturing Sector	(909)	(72)	(1,678)	4
Investment Sector	(5,129)	14,065	(1,124)	13,920
Others	50	(114)	48	(118)
	(17,492)	9,291	(28,671)	2,013
Elimination	(1,666)	(15,383)	(2,178)	(15,383)
Total	(19,158)	(6,092)	(30,849)	(13,370)

5. Profit/(Loss) Before Tax

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

3 months ended		12 months ended	
31.12.2015	31.12.2014	31.12.2015	31.12.2014
RM'000	RM'000	RM'000	RM'000

Interest income	(249)	(868)	(897)	(3,464)
Interest expense	2,703	2,356	9,428	10,032
Depreciation and amortisation	4,299	4,553	17,357	18,264
Amortisation of deferred income	(3,391)	(2,351)	(9,760)	(9,083)
Gain on land acquisition by JKR	470	-	(3,166)	-
Net gain from fair value adjustment of investment properties	301	(217)	(2,554)	(3,396)
Impairment of goodwill	4,206	-	4,206	-
Impairment on financial assets	6,736	-	6,736	-

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 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. 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 2015 and 31 December 2014 are as follows:

	As at 31.12.2015 RM'000	As at 31.12.2014 RM'000
Capital expenditure		
Approved but not contracted for:		
Property, plant and equipment	3,583	5,014

14. 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

15. Performance review

For the current quarter ended 31 Dec 2015 ("4Q 2015") the Group undertook prudent measures in recognising one-off impairment on financial assets and goodwill of RM10.94 million, and reversal of deferred tax assets of RM16.04 million. This resulted in the Group recording Loss Before Tax ("LBT") and Loss After Tax ("LAT") of RM19.16 million and RM34.11 million respectively.

Energy Sector: In the current quarter, the sector recorded revenue of RM1.07 million, slightly higher than 4Q 2015 of RM0.98 million as both power plants are yet to be fully recommissioned as a result from the major breakdown due to flood as well as outstanding overhaul works. In addition, the sector made one-off impairment on financial assets and provision on repair and maintenance costs in 4Q 2015 which resulted to an LBT of RM13.15 million in 4Q 2015 compared to LBT of RM4.86 million in 4Q 2014. Nevertheless, it was mitigated by the recognition of insurance claim on Loss of Profit of RM2.05 million.

Manufacturing Sector: The sector recorded revenue of RM4.77 million and LBT of RM0.91 million as compared to the corresponding quarter of RM6.73 million and LBT of RM0.07 million respectively. The loss recorded was mainly due to the lower sales generated from the LED lightings and higher cost of sales resulting from the weakening of the ringgit.

Food & Beverage and Tourism Sector: The sector recorded higher PBT in 4Q 2015, an increase of RM1.38 million as compared to the 4Q 2014. The higher profit was mainly due to higher provision made in 4Q 2014.

16. Comment on Material Change in Loss Before Taxation

The Group recorded an LBT of RM19.16 million for the current quarter under review, compared to the PBT of RM3.93 million for the preceding quarter ended 30 September 2015 ("3Q 2015"). The variance was mainly due the one-off impairment made on financial assets and goodwill and provision made on plant repair and maintenance costs during 4Q 2015 and non-recurring other income recognised in 3Q 2015.

17. 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 operations at the PAUM Clubhouse and its proposed management of the Food and Beverage requirements at selected convention centres.

One of the power plants have partially commenced its operations in January 2016. Both power plants are expected to be in full operations before the first half of 2016 which will improve the performance of the Energy Sector.

The Manufacturing Sector expects the LED business to contribute positively to the Group.

18. Profit Forecast of Profit Guarantee

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

19. Income Tax Expense

3 months ended		12 months ended		
31.12.2015	31.12.2014	31.12.2015	31.12.2014	
RM'000	RM'000	RM'000	RM'000	
Current tax:				
Malaysian income tax	(3,350)	(1,568)	(3,555)	(1,924)
Deferred tax	(11,610)	6,915	(12,801)	6,488
Total income tax expense	(14,960)	5,347	(16,356)	4,564

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.

20. Sale of Unquoted Investments and Properties

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

21. Quoted Securities

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

22. Corporate Proposals

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

23. Loans and Borrowings

Group loans and borrowings as at 31 December 2015 and 31 December 2014 denominated in Ringgit Malaysia were:

	As at As at RM'000	As at As at RM'000
Current		
Secured	35,558	33,025
Non-current		
Secured	96,451	118,086
Total loans and borrowings	132,009	151,111

Included in the short term borrowings are bank overdrafts amounting to RM7.93 million (31 December 2014: RM5.03 million).

24. Off Balance Sheet Financial Instruments

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

25. Changes in Material Litigation

There are no material litigation as at the reporting date.

26. Dividend Payable

No dividend has been declared for the quarter under review.

27. 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		12 months ended	
	31.12.2015 RM'000	31.12.2014 RM'000	31.12.2015 RM'000	31.12.2014 RM'000
Profit/(loss) attributable to to owners of the parent	(33,735)	(711)	(46,447)	(8,828)
Weighted average number of ordinary shares in issues	311,362	311,362	311,362	311,362
Basic earnings/(loss) per share (sen)	(10.83)	(0.23)	(14.92)	(2.84)

(b) Diluted

There is no dilution in loss per share.

28. 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 As at RM'000	As at As at RM'000
Total accumulated losses of the Company and subsidiaries		
Realised	(145,111)	(144,628)
Unrealised	123,647	166,402
	<u>(21,464)</u>	<u>21,774</u>
Total shares of retained earnings of associates		
Realised	(122)	113
Unrealised	(1)	(4)
	<u>(123)</u>	<u>109</u>
Consolidation adjustments	(57,953)	(57,634)
Total Group accumulated losses	<u>(79,540)</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.

29. 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 29 February 2016.

By order of the Board.

Date: 29 February 2016