



EDEN INC. BERHAD

Registration No. 197701005144 (36216-V)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30 JUNE 2021**



EDEN INC. BERHAD (197701005144 (36216-V))
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2021**

	Note	Individual Quarter 3 months ended			Cumulative Quarter 12 months ended		
		30.06.2021 (RM'000)	30.06.2020 (RM'000)	Changes %	30.06.2021 (RM'000)	30.06.2020 (RM'000)	Changes %
Revenue	10	6,406	-	-	27,213	-	-
Cost of sales		(2,724)	-	-	(9,601)	-	-
Gross profit		3,682	-	-	17,612	-	-
Other income	8	454	-	-	2,097	-	-
Administrative expenses		(7,463)	-	-	(19,320)	-	-
Selling and marketing expenses		(63)	-	-	(266)	-	-
Other expenses	9	(12,191)	-	-	(14,195)	-	-
Operating loss		(15,581)	-	-	(14,072)	-	-
Finance costs		(599)	-	-	(2,607)	-	-
Loss before taxation		(16,180)	-	-	(16,679)	-	-
Taxation	19	(1,366)	-	-	(1,489)	-	-
Loss for the year representing total comprehensive income for the year		(17,546)	-	-	(18,168)	-	-
Total comprehensive income attributable to:							
Equity holders of the Company		(16,823)	-	-	(17,259)	-	-
Non-controlling interests		(723)	-	-	(909)	-	-
		(17,546)	-	-	(18,168)	-	-
Earnings per share attributable to equity holders of the Company (sen)							
- Basic	25	(4.20)	-	-	(4.31)	-	-
- Diluted	25	(2.13)	-	-	(2.19)	-	-

There is no comparative data for the quarter / financial period ended 30 June 2021. Due to the change in the financial year end from 31 December to 30 June as stated in Note 1, the Unaudited Condensed Consolidated Statements of Comprehensive Income for the current quarter / financial period ended 30 June 2021, being the fourth quarter of the financial year ending 30 June 2021, the current period data is not comparable with any comparative period previously reported.

The above Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 June 2020 and the accompanying explanatory notes attached to these interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2021**

	Note	As At 30.06.2021 RM'000 (Unaudited)	As At 30.06.2020 RM'000 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	11	42,852	50,575
Right-of-use assets		20,608	22,614
Investment properties		205,888	209,872
Deferred tax assets		33,688	35,922
Amount due from immediate holding company		30,041	34,188
Trade receivables		-	452
Other investments		54	54
		<u>333,131</u>	<u>353,677</u>
Current assets			
Inventories		3,732	4,552
Trade and other receivables		5,260	4,542
Amount due from immediate holding company		16,994	15,198
Tax recoverable		89	157
Cash and bank balances		5,771	9,194
		<u>31,846</u>	<u>33,643</u>
Total assets		<u>364,977</u>	<u>387,320</u>
Equity and liabilities			
Equity attributable to equity holders of the Company			
Share capital		324,862	324,862
Fair value reserve		46	46
Accumulated losses		(101,494)	(84,235)
		<u>223,414</u>	<u>240,673</u>
Non-controlling interests		<u>(1,157)</u>	<u>(249)</u>
Total equity		<u>222,257</u>	<u>240,424</u>
Non-current liabilities			
Borrowings	22	33,500	38,000
Lease liabilities		3,212	3,585
Deferred income		654	1,634
Deferred tax liabilities		20,529	21,702
		<u>57,895</u>	<u>64,921</u>
Current liabilities			
Trade and other payables		57,701	54,861
Borrowings	22	15,613	13,575
Lease liabilities		555	1,327
Deferred income		1,085	1,477
Tax payable		9,872	10,735
		<u>84,826</u>	<u>81,975</u>
Total liabilities		<u>142,721</u>	<u>146,896</u>
Total equity and liabilities		<u>364,978</u>	<u>387,320</u>
Net assets per share (RM)		0.69	0.74

The above Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 June 2020 and the accompanying explanatory notes attached to these interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2021

	Attributable to Owners of the Parent			Total RM'000	Non- controlling Interest RM'000	Total Equity RM'000
	-Non-Distributable-					
	Share Capital RM'000	Fair value Reserve RM'000	Accumulated Losses RM'000			
As at 1 July 2020	324,862	46	(84,235)	240,673	(249)	240,424
Total comprehensive income/(expense)	-	-	(17,259)	(17,259)	(909)	(18,168)
As at 30 June 2021	324,862	46	(101,494)	223,414	(1,158)	222,256
As at 1 July 2019	-	-	-	-	-	-
Issuance of shares pursuant to conversion of Redeemable Convertible Notes	-	-	-	-	-	-
Total comprehensive income/(expense)	-	-	-	-	-	-
As at 30 June 2020	-	-	-	-	-	-

There is no comparative data for the quarter / financial period ended 30 June 2021. Due to the change in the financial year end from 31 December to 30 June as stated in Note 1, the Unaudited Condensed Consolidated Statements of Changes in Equity for the current quarter / financial period ended 30 June 2021, being the fourth quarter of the financial year ending 30 June 2021, the current period data is not comparable with any comparative period previously reported.

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 June 2020 and the accompanying explanatory notes attached to these interim financial statements.



EDEN INC. BERHAD (197701005144 (36216-V))
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2021**

	12 months 30.06.2021 RM'000	18 months 30.06.2020 RM'000
Cash flow from operating activities		
Profit/(loss) before taxation	(16,679)	18,614
Adjustment for:		
Interest income	(50)	(203)
Interest expense	2,590	6,459
Impairment loss on financial assets	6,951	3,458
Depreciation of property, plant and equipment	4,297	6,093
Amortisation of right-of-use assets	2,006	3,898
Amortisation of deferred income	(391)	(2,277)
Net gain on disposal of property, plant and equipment	(78)	(432)
Net fair value adjustment and gain on disposal of investment properties	3,984	(34,411)
Property, plant and equipment written off	-	81
Inventories written off and written down	-	3,075
Unrealised gain on foreign exchange	-	15
Waiver of debts and bad debts written off	-	(5,081)
Operating cash flows before changes in working capital	<u>2,630</u>	<u>(711)</u>
Changes in working capital		
Changes in inventories	120	4,846
Changes in trade and other receivables	2,135	1,714
Changes in trade and other payables	(923)	1,178
Changes in related parties movement	-	5
Cash generated from operating activities	<u>3,962</u>	<u>7,032</u>
Net income tax paid	(1,489)	(2,933)
Interest paid	(2,590)	(6,459)
Net cash generated from/(used in) operating activities	<u>(117)</u>	<u>(2,360)</u>
Cash flows from investing activities		
Purchase of property, plant and equipments	(894)	(1,429)
Purchase of right-of-use assets	-	(272)
Proceeds from disposal of property, plant and equipments	-	444
Proceeds from disposal of right-of-use assets	-	34
Proceeds from disposal of investment property	-	17,011
Net changes in amount due from/(to) immediate holding company	-	12,523
Interest received	50	203
Net cash generated from/(used in) investing activities	<u>(844)</u>	<u>28,514</u>
Cash flows from financing activities		
Increase/(decrease) in fixed deposits pledged	332	8,043
Proceeds from issuance of RCN	-	3,100
Proceeds from term loan	-	45,000
Repayment of Sukuk Musharakah	-	(40,000)
Net repayment of term loans and lease liabilities	(4,954)	(26,247)
Net cash generated from/(used in) financing activities	<u>(4,622)</u>	<u>(10,104)</u>
Net decrease in cash and cash equivalents	(5,583)	16,050
Cash and cash equivalent at beginning of year	5,817	(10,233)
Cash and cash equivalents at end of period	<u>234</u>	<u>5,817</u>
Cash and cash equivalents comprise the following:		
Cash and bank balances	5,771	9,194
Pledged fixed deposits	(45)	(377)
Bank overdraft	(5,492)	(3,000)
	<u>234</u>	<u>5,817</u>

There is no comparative data for the quarter / financial period ended 30 June 2021. Due to the change in the financial year end from 31 December to 30 June as stated in Note 1, the Unaudited Condensed Consolidated Statements of Cash Flow for the current quarter / financial period ended 30 June 2021, being the fourth quarter of the financial year ending 30 June 2021, the current period data is not comparable with any comparative period previously reported.

The above Condensed Consolidated Statements of Cash Flow should be read in conjunction with the audited financial statements for the year ended 30 June 2020 and the accompanying explanatory notes attached to these interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2021

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 30 June 2020.

As announced to Bursa Malaysia on 30 January 2020, the Company had changed its financial year end from 31 December to 30 June. Consequently, the current period data for the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidation statements of changes in equity, condensed consolidated statements of cash flows and the related notes are not comparable to any of the prior period previously reported.

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 30 June 2020.

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 30 June 2020.

The adoption of the Amendments to MFRSs and Issues Committee (IC) that came into effect on 1 January 2020 did not have any material impact on the condensed consolidated interim financial statements upon their initial application.

3. 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.

4. 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 2021 except as disclosed below.

4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE (CONT'D.)

On 18 March 2020, the government had imposed the Movement Control Order ("MCO") to curb the spread of the Covid-19 pandemic in the country. The Covid-19 pandemic had also resulted in travel restrictions, quarantines, social distancing and closures of non-essential services which have triggered significant disruptions to businesses, resulting in an economic slowdown. This has also brought economic uncertainties in Malaysia within which the Group operates.

The effect of the above pandemic containment measures has been reflected in the performance of the Group for the fourth quarter and financial period ended 30 June 2021.

5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

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

6. 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.

7. DIVIDENDS PAID

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

8. OTHER INCOME

	Individual Quarter		Cumulative Quarter	
	30.06.2021 RM'000	30.06.2020 RM'000	30.06.2021 RM'000	30.06.2020 RM'000
Interest income:				
Fixed deposits	13	-	50	-
	<u>13</u>	<u>-</u>	<u>50</u>	<u>-</u>
Other income:				
Rental income	245	-	981	-
Miscellaneous income	196	-	1,066	-
	<u>441</u>	<u>-</u>	<u>2,047</u>	<u>-</u>
	<u>454</u>	<u>-</u>	<u>2,097</u>	<u>-</u>

9. OTHER EXPENSES

	Individual Quarter		Cumulative Quarter	
	30.06.2021 RM'000	30.06.2020 RM'000	30.06.2021 RM'000	30.06.2020 RM'000
Depreciation of plant, property and equipment	494	-	1,991	-
Amortisation of right of use assets	169	-	676	-
Fair value adjustment on investment properties	3,984	-	3,984	-
Impairment on receivables	2,702	-	2,702	-
Impairment on inventories	700	-	700	-
Impairment on plant, property and equipment	4,000	-	4,000	-
Miscellaneous expenses	142	-	142	-
	<u>12,191</u>	<u>-</u>	<u>14,195</u>	<u>-</u>

10. SEGMENTAL INFORMATION

Segmental results by business activities:

RESULTS FOR THE INDIVIDUAL QUARTER

	Energy			F&B and Tourism			Manufacturing			Investment			Eliminations		Total		
	30.06.2021 RM'000	30.06.2020 RM'000	Changes %	30.06.2021 RM'000	30.06.2020 RM'000	Changes %	30.06.2021 RM'000	30.06.2020 RM'000	Changes %	30.06.2021 RM'000	30.06.2020 RM'000	Changes %	30.06.2021 RM'000	30.06.2020 RM'000	30.06.2021 RM'000	30.06.2020 RM'000	Changes %
Revenue																	
Sales to external customers	5,392	-	-	672	-	-	341	-	-	-	-	-	-	-	6,405	-	-
Inter-segment sales	-	-	-	-	-	-	-	-	-	234	-	-	(234)	-	-	-	-
Total segment revenue	5,392	-	-	672	-	-	341	-	-	234	-	-	(234)	-	6,405	-	-
Results																	
Other income	144	-	-	98	-	-	14	-	-	637	-	-	(438)	-	455	-	-
Segment profit/(loss)	(5,661)	-	-	(7,150)	-	-	(1,340)	-	-	(3,141)	-	-	1,112	-	(16,180)	-	-

RESULTS FOR THE CUMULATIVE QUARTER

	Energy			F&B and Tourism			Manufacturing			Investment			Eliminations		Total		
	30.06.2021 RM'000	30.06.2020 RM'000	Changes %	30.06.2021 RM'000	30.06.2020 RM'000	Changes %	30.06.2021 RM'000	30.06.2020 RM'000	Changes %	30.06.2021 RM'000	30.06.2020 RM'000	Changes %	30.06.2021 RM'000	30.06.2020 RM'000	30.06.2021 RM'000	30.06.2020 RM'000	Changes %
Revenue																	
Sales to external customers	21,054	-	-	5,818	-	-	341	-	-	-	-	-	-	-	27,213	-	-
Inter-segment sales	-	-	-	-	-	-	-	-	-	763	-	-	(763)	-	-	-	-
Total segment revenue	21,054	-	-	5,818	-	-	341	-	-	763	-	-	(763)	-	27,213	-	-
Results																	
Other income	269	-	-	861	-	-	108	-	-	1,912	-	-	(1,054)	-	2,096	-	-
Segment profit/(loss)	(1,915)	-	-	(8,359)	-	-	(1,850)	-	-	(5,738)	-	-	1,184	-	(16,678)	-	-
Segment assets	198,082	-	-	110,628	-	-	1,165	-	-	331,402	-	-	(276,300)	-	364,977	-	-
Segment liabilities	186,582	-	-	85,420	-	-	1,738	-	-	96,139	-	-	(227,158)	-	142,721	-	-

11. 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 30 June 2020.

12. 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 2021 and 30 June 2020 are as follows:

	As at 30.06.2021 RM'000	As at 30.06.2020 RM'000
Capital expenditure		
Approved but not contracted for:		
Property, plant and equipment	7,181	790

13. CHANGES IN COMPOSITION OF THE GROUP

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

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 except as disclosed below.

Proposed Private Placement

- (i) On 1 July 2021, the Board had resolved to fix the issue price for the Private Placement at RM0.1443 per Placement Share.
- (ii) On 13 July 2021, 18,150,000 Placement Shares were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad, being the first tranche of the Private Placement. The Private Placement raised a gross proceeds of RM2.62 million

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

15. PERFORMANCE REVIEW

(a) Current Year 4th Quarter vs. Previous Year 4th Quarter

As stated in Note 1, due to the change in the financial year, the performance of the current quarter ended 30 June 2021 is not comparable against any comparative period previously reported.

For the current quarter ended 30 June 2021 ("4Q 2021"), the Group recorded revenue of RM6.41 million, largely contributed by the Energy Sector by RM5.39 million. However, the Group recorded a Loss Before Tax ("LBT") of RM16.18 million for 4Q 2021, primarily due to impairment loss on financial assets and the adverse impact on the performance of the Group's Food & Beverage and Tourism Sector due to the continued restrictions in movement imposed by the government.

Energy Sector: Despite the Sungai Kenerong Plant contributing positively to the performance of the Group with a revenue of RM5.39 million recorded, the sector recorded a LBT of RM5.66 million. The LBT was primarily contributed to the impairment losses on plant, property and equipment and other receivables as the Libaran Plant has not commenced operations during the period.

Food & Beverage and Tourism Sector: The sector registered revenue and LBT of RM0.67 million and RM7.15 million respectively. The performance continued to be significantly and adversely affected by the movement and travel restrictions imposed in the country, which affected the number of visitors and customers. In addition, the impairment loss on investment properties was due to the lower commercial yield recognised by the Tourism segment.

Manufacturing Sector: The sector recorded LBT of RM1.34 million, mainly on the provision for doubtful debt made on the receivables during the quarter. In addition, the projects that the sector is currently pursuing has yet to materialise.

(b) Current Year-to-Date vs. Previous Year-to-Date

As stated in Note 1, due to the change in the financial year, the performance of the current year-to-date ended 30 June 2021 is not comparable against any comparative period previously reported.

For the year-to-date ended 30 June 2021 ("YTD 2021"), the Group recorded revenue and LBT of RM27.21 million and RM16.68 million respectively. The results were mainly due to impairment loss on plant, property and equipment recognised by the Energy and Tourism Sector and provision for doubtful debt on the receivables made in the Manufacturing Sector.

Energy Sector: The sector recorded revenue and LBT of RM21.05 million and RM1.91 million in YTD 2021. The revenue and profitability were mainly contributed by the Sungai Kenerong Plant's operations with higher Net Electrical Output (NEO) supported by effective maintenance planning. However, this was off-set by the higher operating expenses from the impairment loss on plant, property and equipment and other receivables.

Food & Beverage and Tourism Sector: The sector recorded revenue and LBT of RM5.82 million and RM8.36 million in YTD 2021. The higher operating expenses was mainly from the impairment on investment properties and the prolonged Covid-19 pandemic continued to adversely impact the sector's financial results due to the movement and travel restrictions which affected the number of visitors and customers.

Manufacturing Sector: The sector recorded LBT of RM1.85 million, mainly on the provision for doubtful debt made on receivables and operating expenses in YTD 2021. In addition, the projects that the sector is currently pursuing has yet to materialise.

16. COMMENT ON MATERIAL CHANGES IN CURRENT QUARTER RESULTS AS COMPARED TO IMMEDIATE PRECEDING QUARTER

	Quarter Ended		
	30.06.2021 RM'000	31.03.2021 RM'000	Changes %
Revenue	6,406	6,188	4
Cost of sales	(2,724)	(2,205)	24
Gross profit	3,682	3,983	(8)
Other income	454	481	(6)
Administrative expenses	(7,463)	(4,091)	82
Selling and marketing expenses	(63)	(42)	50
Other expenses	(12,191)	(482)	2,429
Operating profit/(loss)	(15,581)	(151)	10,219
Finance costs	(599)	(604)	(1)
Profit/(loss) before taxation	(16,180)	(755)	2,043

The Group recorded LBT of RM16.18 million as compared to LBT of RM0.75 million in the preceding quarter ended 31 March 2021. This was mainly due to higher operating expenses incurred in 4Q 2021, partly from impairment loss on financial assets, property, plant and equipment.

17. COMMENTARY ON PROSPECTS

The Government's national recovery plan has open up economic activities in the recovery phase which will augur well for the Food and Beverage and Tourism Sector despite the continued imposition of the Movement Control Order (and the several variations thereof) and travel restrictions. With the expected positive impact in the recovery phase, the Group is expected to perform better in the next financial year.

The optimization of the operations of the Sungai Kenerong Hydro Power Plant and the expected recommencement of the Libaran Power Plant in 4Q 2021 will ensure that the Energy Sector continues to contribute positively to the Group's Performance.

With the re-opening of country's tourism sector and the commencement of the operations of UWL, the Tourism segment is expected to perform better.

For the Manufacturing Sector, the Group will be rationalizing its operations to ensure the sector remains relevant within the Group.

18. PROFIT FORECAST OR PROFIT GUARANTEE

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

19. TAXATION

Individual Quarter		Cumulative Quarter	
30.06.2021	30.06.2020	30.06.2021	30.06.2020
RM'000	RM'000	RM'000	RM'000

Current tax:

Malaysian income tax	(305)	-	(428)	-
Deferred tax	(1,061)	-	(1,061)	-
Total income tax expense	<u>(1,366)</u>	<u>-</u>	<u>(1,489)</u>	<u>-</u>

The effective tax rate for the current financial quarter was lower than the statutory tax rate of 24% mainly due to lower taxable income.

20. STATUS OF UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

(a) Utilisation of Proceeds from Issuance of Redeemable Convertible Notes ("RCN")

Since the last quarter report ended 31 March 2021, there was no issuance of securities in the current quarter under review.

As at the date of this report, the status of the utilisation of the proceeds which summarised under three (3) broad purposes from the RCN is as follows:

Purpose		Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended Timeframe for Utilisation
1)	Repayment of the Group's borrowings	24,000	-	Within three (3) years
2)	Finance the working capital requirements and/or capital expenditure requirements of the Group	30,100	11,596	Within two (2) and three (3) years
3)	Defray fees and expenses in connection to the issuance of the Notes	5,900	1,904	Within three (3) years
TOTAL		60,000	13,500	

The Programme in respect of the RCN had matured on 13 August 2021 three (3) years from the date on which first sub-tranche of Tranche 1 RCN is subscribed for and issued.

The total amount of RCN has been drawdown as at 12 August 2021 is RM13.5 million and total number of Ordinary Shares issued arising from the conversion of the RCN is 91,999,108 Ordinary Shares.

21. TRADE RECEIVABLES

	As at 30.06.2021 RM'000	As at 30.06.2020 RM'000
Trade receivables	16,963	16,625
Less: Allowance for impairment	(14,342)	(14,360)
	2,621	2,265

The ageing analysis of the Group's trade receivables as at 31 March 2021 is as follows:

Current	1,545	1,425
<i>Past due not impaired</i>		
Less than 30 days	22	18
31 to 60 days	9	2
61 to 90 days	14	52
More than 90 days	1,031	252
	1,076	324
Impaired	14,342	14,876
	16,963	16,625

22. BORROWINGS

Group loans and borrowings as at 31 March 2021 and 30 June 2020 denominated in Ringgit Malaysia were:

	As at 30.06.2021 RM'000	As at 30.06.2020 RM'000
Current		
Secured:		
Bank overdraft	5,492	3,000
Bank loans	10,121	10,575
	15,613	13,575
Non-current		
Secured:		
Bank loans	33,500	38,000
	33,500	38,000
Total borrowings current and non-current		
Bank overdraft	5,492	3,000
Bank loans	43,621	48,575
	49,113	51,575

23. CHANGES IN MATERIAL LITIGATION

There was no material litigation against the Group as at the reporting date.

24. DIVIDEND PAYABLE

No dividend has been declared for the quarter under review.

25. EARNINGS PER SHARE

(a) Basic

The basic earnings per share are calculated based on the consolidated profit for the financial period attributable to owners of the parent and the weighted average number of ordinary shares in issue during the financial period as follows:

	Individual Quarter		Cumulative Quarter	
	30.06.2021 RM'000	30.06.2020 RM'000	30.06.2021 RM'000	30.06.2020 RM'000
Profit attributable to owners of the Company	(16,823)	-	(17,259)	-
	Number of shares ('000)			
Weighted average number of ordinary shares in issue	400,570	-	400,570	-
Basic earnings per share (sen)	(4.20)	-	(4.31)	-

(b) Diluted

The diluted earnings per share has been calculated based on the adjusted consolidated profit for the period attributable to owners of the parent and the weighted average number of ordinary shares in issue during the financial period have been adjusted for the dilutive effects of all potential ordinary shares as follows:

	Individual Quarter		Cumulative Quarter	
	30.06.2021 RM'000	30.06.2020 RM'000	30.06.2021 RM'000	30.06.2020 RM'000
Profit attributable to owners of the Company	(16,823)	-	(17,259)	-
	Number of shares ('000)			
Weighted average number of ordinary shares as at 31 December (basic)	400,570	-	400,570	-
Effect of conversion of convertible notes	387,500	-	387,500	-
Weighted average number of ordinary shares as at 31 December (basic)	788,070	-	788,070	-
Diluted earnings per ordinary shares (sen)	(2.13)	-	(2.19)	-

26. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors has expressed **unqualified opinion** of the financial statements for the year ended 30 June 2020 and that their opinion is not modified in respect of the material uncertainty related to going concern.

- a) The material uncertainty disclosed in the preceding Annual Financial Statements are as follows:

We draw attention to Note 2(a) to the financial statements, which indicates that as of 30 June 2020, the current liabilities of the Group and of the Company exceeded the current assets by RM48.33 million and RM83.37 million respectively. In addition, the Group and the Company have negative operating cash flows of RM2.16 million and RM10.35 million respectively.

These factors indicate the existence of significant material uncertainties that may cast significant doubt on the Group's and on the Company's abilities to continue as going concerns. Nevertheless, the financial statements of the Group and of the Company have been prepared on going concern basis. The abilities of the Group and of the Company to continue as going concerns are dependent on the continued support of their lenders, the timely and successful recommissioning of Libaran Power Plant as well as the sustainability and profitability of the entire power plant in the future, the timely collection of the amount due from its holding company Zil Enterprise Sdn. Bhd. ("ZESB") and the timely completion of the planned disposal of investment properties.

During the financial period, the Group has obtained banking facilities of RM8.50 million which have yet to be drawn-down as of the reporting date. Also, the Company has issued Redeemable Convertible Notes ("RCN") of RM2.50 million during the financial period and has unissued Tranche 1 RCN amounting to RM6.50 million as of the reporting date. The Group and the Company would have available fund to improve the business operations, profitability and cash flows of the Group and of the Company to continue as going concern.

- b) b) The Group has taken the necessary steps to address the Key Audit Matters that related to the material uncertainty related to going concern which depends on the following:

- (i) Re-commissioning of the Group's power plants as well as sustainability and profitability of the power plants in the future

For the financial period ended 30 June 2020 ("FPE 2020"), the 20MW Sungai Kenerong Plant continues to contribute positively to the performance of the Group. The Sungai Kenerong Plant had carried out the necessary replacement, restoration, overhaul and maintenance work to ensure that the plant operates at its optimum level. This also includes the relevant civil works to strengthen further the access roads, pipeline and transmission line of the plant. This is in line with its requirements to ensure the profitability and sustainability of the plant's operations.

The Group will also ensure that its 20MW Sungai Kenerong Plant continues to contribute positively to the Group with the implementation of its "Zero-Outage" plan. The plant continues to explore the requirement for the Renewable Energy ("RE") generation capacity under the Sustainable Energy Development Authority (SEDA) and the potential to increase the generation capacity in RE.

26. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS (CONT'D.)

b) The Group has taken the necessary steps to address the Key Audit Matters that related to the material uncertainty related to going concern which depends on the following: (cont'd.)

(i) Re-commissioning of the Group's power plants as well as sustainability and profitability of the power plants in the future (cont'd.)

As for Libaran Plant, the commencement of the operations is expected to take place upon obtaining the approvals from the relevant authorities. The Libaran Plant is expected to remain relevant in the industry due to the demand of installed capacity for the East Coast remaining a priority to enable less dependency on the supply of electricity from the West Coast of Sabah. At this juncture, Stratavest Sdn. Bhd. (STV) and Sabah Electricity Sdn. Bhd. are in the process of finalizing the terms and conditions in the new Power Purchase Agreement for the extension of operations of the Libaran Plant. The Libaran Plant is expected to recommence its operations in the fourth quarter of year 2021.

(ii) Recovery of amount due from ZESB

ZESB has paid approximately RM5.0 million in FPE 2020 which has reduced the amount owing from ZESB to the Group. ZESB will continue to reduce the amount owing by monetizing its assets in its investment properties. The Group had entered into Deed of Assignment, whereby ZESB assigned its right in and to the net sale proceeds from the planned disposal of certain identified lands of ZESB as settlement of the amount to STV. As an assurance and commitment to the Group, ZESB has agreed and consented to the lodgement of a private caveat of four (4) identified lands by STV which was duly lodged on 28 July 2012.

(iii) Continued support of the Group's lenders and creditors

As at 30 June 2021, the Group has recorded borrowings, trade and other payable, and lease liabilities of RM49.12 million (30 June 2020: RM51.57 million), RM61.19 million (30 June 2020: RM54.86 million) and RM3.86 million (30 June 2020: RM4.91) million respectively.

With the continuous operations of Sungai Kenerong Plant, expected recommissioning of the Libaran Plant, and recovery of the amount due from ZESB, the Group and the Company are confident that it would have available funds to improve the business operations, profitability and cash flows of the Group and of the Company to continue as going concern.

27. 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 28 September 2021.

By order of the Board.

Date: 28 September 2021