



**EDEN INC. BERHAD**

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

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE THIRD QUARTER ENDED  
31 MARCH 2022**



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

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2022

Note	Individual Quarter 3 months ended			Cumulative Quarter 9 months ended		
	31.03.2022 (RM'000)	31.03.2021 (RM'000)	Changes %	31.03.2022 (RM'000)	31.03.2021 (RM'000)	Changes %
<b>Revenue</b>	15,627	6,188	153	32,895	20,807	58
Cost of sales	(8,411)	(2,205)	281	(17,384)	(6,876)	153
<b>Gross profit</b>	<b>7,216</b>	<b>3,983</b>	<b>81</b>	<b>15,511</b>	<b>13,931</b>	<b>11</b>
Other income	325	481	(32)	4,320	1,643	163
Administrative expenses	(5,053)	(4,086)	24	(13,140)	(11,852)	11
Selling and marketing expenses	(109)	(42)	160	(278)	(203)	37
Other expenses	(547)	(482)	13	(1,725)	(2,004)	(14)
<b>Operating profit</b>	<b>1,832</b>	<b>(146)</b>	<b>(1,355)</b>	<b>4,688</b>	<b>1,515</b>	<b>209</b>
Finance costs	(653)	(604)	8	(1,809)	(2,008)	(10)
<b>Profit before taxation</b>	<b>1,179</b>	<b>(750)</b>	<b>(257)</b>	<b>2,879</b>	<b>(493)</b>	<b>(684)</b>
Taxation	(3)	60	(105)	(3)	(123)	(98)
<b>Profit for the year representing total comprehensive income for the year</b>	<b>1,176</b>	<b>(690)</b>	<b>(270)</b>	<b>2,876</b>	<b>(616)</b>	<b>(567)</b>
<b>Total comprehensive income attributable to:</b>						
Equity holders of the Company	1,208	(659)	(283)	2,992	(430)	(796)
Non-controlling interests	(32)	(31)	3	(116)	(186)	(38)
	<b>1,176</b>	<b>(690)</b>	<b>(270)</b>	<b>2,876</b>	<b>(616)</b>	<b>(567)</b>
<b>Earnings per share attributable to equity holders of the Company (sen)</b>						
- Basic	25	0.26	(0.14)	0.65	(0.09)	
- Diluted	25	0.26	(0.14)	0.65	(0.09)	

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 2021 and the accompanying explanatory notes attached to these interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2022**

	Note	<b>As At 31.03.2022 RM'000 (Unaudited)</b>	<b>As At 30.06.2021 RM'000 (Audited)</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	11	40,229	42,872
Right-of-use assets		20,703	20,543
Investment properties		208,536	205,888
Deferred tax assets		33,411	36,734
Amount due from immediate holding company		21,369	21,369
Other investments		54	54
		<b>324,302</b>	<b>327,460</b>
<b>Current assets</b>			
Inventories		3,971	3,733
Trade and other receivables		12,115	5,229
Amount due from immediate holding company		25,666	25,666
Tax recoverable		89	136
Cash and bank balances		9,767	5,762
		<b>51,608</b>	<b>40,526</b>
<b>Total assets</b>		<b>375,910</b>	<b>367,986</b>
<b>Equity and liabilities</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital		332,259	324,862
Fair value reserve		46	46
Accumulated losses		(98,533)	(101,525)
		<b>233,772</b>	<b>223,383</b>
<b>Non-controlling interests</b>		<b>(1,274)</b>	<b>(1,158)</b>
<b>Total equity</b>		<b>232,498</b>	<b>222,225</b>
<b>Non-current liabilities</b>			
Borrowings	22	24,000	30,000
Lease liabilities		3,633	3,046
Deferred income		-	654
Deferred tax liabilities		19,806	23,576
		<b>47,439</b>	<b>57,276</b>
<b>Current liabilities</b>			
Trade and other payables		62,697	57,230
Borrowings	22	22,604	19,113
Lease liabilities		878	721
Deferred income		446	1,514
Tax payable		9,348	9,907
		<b>95,973</b>	<b>88,485</b>
<b>Total liabilities</b>		<b>143,412</b>	<b>145,761</b>
<b>Total equity and liabilities</b>		<b>375,910</b>	<b>367,986</b>
Net assets per share (RM)		0.70	0.69

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 2021 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 31 MARCH 2022

	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			
<b>As at 1 July 2021</b>	324,862	46	(101,525)	223,383	(1,158)	222,225
Total comprehensive income/(expense)	-	-	2,992	2,992	(116)	2,876
Issuance of ordinary shares pursuant to private placement	7,397	-	-	7,397	-	7,397
<b>As at 31 March 2022</b>	<b>332,259</b>	<b>46</b>	<b>(98,533)</b>	<b>233,772</b>	<b>(1,274)</b>	<b>232,498</b>
<b>As at 1 July 2020</b>	324,862	46	(84,235)	240,673	(249)	240,424
Total comprehensive income/(expense)	-	-	(430)	(430)	(186)	(616)
<b>As at 31 March 2021</b>	<b>324,862</b>	<b>46</b>	<b>(84,665)</b>	<b>240,243</b>	<b>(435)</b>	<b>239,808</b>

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 2021 and the accompanying explanatory notes attached to these interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2022**

	<b>9 months 31.03.2022 RM'000</b>	<b>9 months 31.03.2021 RM'000</b>
<b>Cash flow from operating activities</b>		
Profit/(loss) before taxation	2,879	(493)
Adjustment for:		
Interest income	(29)	(37)
Interest expense	1,809	2,008
Depreciation of property, plant and equipment	4,260	2,245
Amortisation of right-of-use assets	210	1,469
Amortisation of deferred income	(741)	(417)
Net gain on disposal of property, plant and equipment	-	(78)
Net fair value adjustment of investment properties	(2,648)	-
Operating cash flows before changes in working capital	<u>5,740</u>	<u>4,697</u>
<b>Changes in working capital</b>		
Changes in inventories	(238)	76
Changes in trade and other receivables	(3,512)	(330)
Changes in trade and other payables	115	(860)
Cash generated from operating activities	<u>2,102</u>	<u>3,583</u>
Net income tax paid	(3)	(123)
Interest paid	(1,809)	(2,008)
<b>Net cash generated from/(used in) operating activities</b>	<u>290</u>	<u>1,452</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipments	(1,202)	(476)
Interest received	29	37
<b>Net cash generated from/(used in) investing activities</b>	<u>(1,173)</u>	<u>(439)</u>
<b>Cash flows from financing activities</b>		
Increase/(decrease) in fixed deposits pledged	(521)	(1,768)
Proceeds from issuance shares	7,397	-
Net repayment of term loans and lease liabilities	(2,513)	(2,675)
<b>Net cash generated from/(used in) financing activities</b>	<u>4,363</u>	<u>(4,443)</u>
Net decrease in cash and cash equivalents	3,480	(3,430)
Cash and cash equivalent at beginning of year	(990)	5,817
<b>Cash and cash equivalents at end of period</b>	<u><b>2,490</b></u>	<u><b>2,387</b></u>
<b>Cash and cash equivalents comprise the following:</b>		
Cash and bank balances	9,767	9,032
Pledged fixed deposits	(1,781)	(2,145)
Bank overdraft	(5,496)	(4,500)
	<u><b>2,490</b></u>	<u><b>2,387</b></u>

The above Condensed Consolidated Statements of Cash Flow should be read in conjunction with the audited financial statements for the year ended 30 June 2021 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 31 MARCH 2022**

**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 2021.

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 2021.

**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 2021.

The adoption of the Amendments to MFRSs and Issues Committee (IC) that came into effect on 1 January 2021 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 31 March 2022 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 third quarter and financial period ended 31 March 2022.

#### 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	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
Interest income:				
Fixed deposits	10	17	29	37
	<u>10</u>	<u>17</u>	<u>29</u>	<u>37</u>
Other income:				
Rental income	245	245	735	735
Fair value adjustments of investment property	-	-	2,648	-
Miscellaneous income	70	219	908	871
	<u>315</u>	<u>464</u>	<u>4,291</u>	<u>1,606</u>
	<u>325</u>	<u>481</u>	<u>4,320</u>	<u>1,643</u>

#### 9. OTHER EXPENSES

	Individual Quarter		Cumulative Quarter	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
Depreciation of plant, property and equipment	337	144	1,515	1,497
Amortisation of right of use assets	210	338	210	507
	<u>547</u>	<u>482</u>	<u>1,725</u>	<u>2,004</u>

## 10. SEGMENTAL INFORMATION

Segmental results by business activities:

### RESULTS FOR THE INDIVIDUAL QUARTER

	Energy			F&B and Tourism			Manufacturing			Investment			Eliminations		Total		
	31.03.2022 RM'000	31.03.2021 RM'000	Changes %	31.03.2022 RM'000	31.03.2021 RM'000	Changes %	31.03.2022 RM'000	31.03.2021 RM'000	Changes %	31.03.2022 RM'000	31.03.2021 RM'000	Changes %	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000	Changes %
<b>Revenue</b>																	
Sales to external customers	11,650	5,176	125	3,977	1,012	293	-	-	100	-	-	-	-	-	15,627	6,188	153
Inter-segment sales	-	-	-	-	-	-	-	-	-	279	233	20	(279)	(233)	-	-	-
Total segment revenue	11,650	5,176	125	3,977	1,012	293	-	-	100	279	233	20	(279)	(233)	15,627	6,188	153
<b>Results</b>																	
Other income	5	4	25	94	131	(28)	5	95	100	611	457	34	(390)	(206)	325	481	(32)
Segment profit/(loss)	1,319	641	106	1,018	(962)	(206)	(58)	(113)	(49)	(1,031)	(553)	86	(69)	237	1,179	(750)	(257)

### RESULTS FOR THE CUMULATIVE QUARTER

	Energy			F&B and Tourism			Manufacturing			Investment			Eliminations		Total		
	31.03.2022 RM'000	31.03.2021 RM'000	Changes %	31.03.2022 RM'000	31.03.2021 RM'000	Changes %	31.03.2022 RM'000	31.03.2021 RM'000	Changes %	31.03.2022 RM'000	31.03.2021 RM'000	Changes %	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000	Changes %
<b>Revenue</b>																	
Sales to external customers	23,091	15,661	47	9,757	5,146	90	46	-	100	-	-	-	-	-	32,894	20,807	58
Inter-segment sales	-	-	-	-	-	-	-	-	-	746	530	41	(745)	(530)	1	-	-
Total segment revenue	23,091	15,661	47	9,757	5,146	90	46	-	100	746	530	41	(745)	(530)	32,895	20,807	58
<b>Results</b>																	
Other income	14	125	(89)	967	738	31	27	95	100	4,112	1,301	216	(800)	(616)	4,320	1,643	163
Segment profit/(loss)	1,440	3,751	(62)	2,076	(1,210)	(272)	(218)	(510)	(57)	(394)	(2,597)	(85)	(25)	73	2,879	(493)	(684)
Segment assets	207,778	208,625	(0)	111,493	115,765	(4)	980	2,566	(62)	335,018	333,160	1	(279,359)	(277,470)	375,910	382,646	(2)
Segment liabilities	203,925	183,728	11	84,936	82,018	4	1,793	1,784	1	93,168	95,429	(2)	(240,410)	(220,114)	143,412	142,845	0



**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 2021.

**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 31 March 2022 and 30 June 2021 are as follows:

	<b>As at 31.03.2022 RM'000</b>	<b>As at 30.06.2021 RM'000</b>
<b>Capital expenditure</b>		
Approved but not contracted for:		
Property, plant and equipment	8,434	1,027

**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.

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

**15. PERFORMANCE REVIEW**

**(a) 3rd Quarter FY2022 vs. 3rd Quarter FY2021**

For the current quarter ended 31 March 2022 ("3Q FY2022"), the Group recorded revenue of RM15.63 million, contributed mainly by the Energy Sector of RM11.65 million. The Group recorded a Profit Before Tax ("PBT") of RM1.18 million for 3Q FY2022 compared to Loss Before Tax ("LBT") of RM0.75M in the corresponding quarter ended 31 March 2021 ("3Q FY2021"). This was primarily due to the higher revenue recorded by Energy Sector and Tourism Segment respectively.

**Energy Sector:** The sector recorded revenue and PBT of RM11.65 million and RM1.32 million respectively in 3Q FY2022 compared to 3Q FY2021 revenue and LBT of RM5.18 million and RM0.64 million. The higher PBT was mainly contributed by the recommissioning of the Libaran Plant as it began the new concession period on the 28 February 2022.

**Food and Beverage ("F&B") and Tourism Sector:** The sector recorded revenue and PBT of RM3.98 million and RM1.02 million respectively in 3Q FY2022 compared to 3Q FY2021 revenue and LBT of RM1.01 million and RM0.96 million. The PBT recorded was mainly due to higher revenue generated by the tourism segment as a result of increased number of visitors to UWL after the government had lifted the interstate restrictions spurring tourism activities within the country.

**Manufacturing and Trading Sector:** In line with the restructuring of the business, lower LBT of RM0.06 million from RM0.11 million was recorded in 3Q FY2021, mainly due to lower personnel expenses.

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

For the year-to-date ended 31 March 2022 ("YTD FY2022"), the Group recorded PBT of RM2.88 million against the LBT of RM0.49 million recorded in the corresponding period ("YTD FY2021"). The higher PBT was mainly due to the higher revenue generated from Energy Sector, Tourism segment and the recognition of gain on fair value adjustment of investment properties.

**Energy Sector:** The sector remains the main contributor of the Group by registering revenue and PBT of RM23.09 million and RM1.44 million in YTD FY2022 compared to revenue & PBT of RM15.66 million and RM3.75 million recorded in YTD FY2021. Despite the higher revenue registered, the PBT was lower due to the cost incurred for the recommissioning of the Libaran Plant and outages recorded by the Sungai Kenerong Hydro Power Plant.

**F&B and Tourism Sector:** The sector recorded revenue and PBT of RM9.76 million and RM2.08 million respectively in YTD FY2022 compared to YTD FY2021 revenue and LBT of RM5.15 million and RM1.21 million. The PBT recorded was mainly due to higher revenue generated by tourism segment which started its operations in mid-September after the government lifted the interstate travel restrictions spurring tourism activities within the country

**Manufacturing and Trading Sector:** In line with the restructuring of the business, lower LBT of RM0.22 million from RM0.51 million was recorded in YTD FY2021, mainly due to the lower personnel expenses.

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

	Quarter Ended		
	31.03.2022 RM'000	31.12.2021 RM'000	Changes %
<b>Revenue</b>	15,627	11,053	41
Cost of sales	(8,411)	(5,791)	45
<b>Gross profit</b>	7,216	5,262	37
Other income	325	689	(53)
Administrative expenses	(5,053)	(4,371)	16
Selling and marketing expenses	(109)	(99)	10
Other expenses	(547)	(502)	9
<b>Operating profit</b>	1,832	979	87
Finance costs	(653)	(570)	15
<b>Profit before taxation</b>	1,179	409	188

The Group recorded a PBT of RM1.18 million compared to RM0.41M in the preceding quarter ended 31 December 2021. The higher profitability registered of RM0.77M was due to recommissioning of the Libaran plant which had generated higher revenue for the Group.

**17. COMMENTARY ON PROSPECTS**

The Group is optimistic that the Malaysian economy will continue to rebound as the nation moves towards the endemic phase of Covid-19.

With further easing of the Covid-19 restrictions and the opening of international borders, the Food & Beverage segment is expected to improve its performance whilst the Tourism segment will continue to contribute positively to the Group.

Coupled with the optimum operations of the Sungai Kenerong Hydro Power Plant and the recommissioning of the Libaran Plant, the Group expects the positive trend on the Group's profitability to continue, despite the rising fuel and spare parts costs that has affected the global market.

## 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	
31.03.2022	31.03.2021	31.03.2022	31.03.2021
RM'000	RM'000	RM'000	RM'000
Current tax:			
Malaysian income tax	(3) 60	(3) (123)	
Deferred tax	-	-	-
Total income tax expense	(3) 60	(3) (123)	

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. CORPORATE PROPOSALS

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

## 21. TRADE RECEIVABLES

	As at 31.03.2022 RM'000	As at 30.06.2021 RM'000
Trade receivables	21,459	14,459
Less: Allowance for impairment	(12,363)	(12,363)
	<u>9,096</u>	<u>2,096</u>

The ageing analysis of the Group's trade receivables as at 31 March 2022 is as follows:

Current	8,721	1,646
<i>Past due not impaired</i>		
Less than 30 days	61	65
31 to 60 days	41	113
61 to 90 days	8	31
More than 90 days	265	241
	375	450
Impaired	12,363	12,363
	<u>21,459</u>	<u>14,459</u>

## 22. BORROWINGS

Group loans and borrowings as at 31 March 2022 and 30 June 2021 denominated in Ringgit Malaysia were:

	<b>As at 31.03.2022 RM'000</b>	<b>As at 30.06.2021 RM'000</b>
<b>Current</b>		
<b>Secured:</b>		
Bank overdraft	5,496	5,492
Bank loans	17,108	13,621
	<u>22,604</u>	<u>19,113</u>
<b>Non-current</b>		
<b>Secured:</b>		
Bank loans	24,000	30,000
<b>Total borrowings</b>	<u>46,604</u>	<u>49,113</u>

## 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	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
Profit attributable to owners of the Company	1,208	(659)	2,992	(430)
	Number of shares ('000)			
Weighted average number of ordinary shares in issue	459,415	459,415	459,415	459,415
Basic earnings per share (sen)	0.26	(0.14)	0.65	(0.09)

### (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	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
Profit attributable to owners of the Company	1,208	(659)	2,992	(430)
	Number of shares ('000)			
Weighted average number of ordinary shares as at 31 December (basic)	459,415	459,415	459,415	459,415
Effect of conversion of convertible notes	-	-	-	-
Weighted average number of ordinary shares as at 31 December (basic)	459,415	459,415	459,415	459,415
Diluted earnings per ordinary shares (sen)	0.26	(0.14)	0.65	(0.09)

## 26. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors has expressed **unqualified opinion** of the financial statements for the year ended 30 June 2021 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 the Group and Company incurred a net loss of RM18.20 million and RM4.86 million during the financial year ended 30 June 2021 and as of that date, the current liabilities of the Group and of the Company exceeded the current assets by RM47.96 million and RM83.48 million respectively. In addition, the Company reported negative operating cash flows of RM3.22 million.

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 a 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 recommission 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, ZESB and the timely completion of the planned disposal of investment properties.

During the year, the Group obtained banking facilities of 8.50 million, which 6.0 million had not yet withdrawn at the reporting date. The Group and the Company would have funds available to improve the commercial transactions, profitability and cash flows of the Group and the Company to continue operating.

- b) The following are the Key Audit Matters ("KAM") as reported in the Independent Auditors' Report of the Financial Statements for FYE 2021:

- (i) Fair value of investment properties;
- (ii) Deferred tax assets related to energy segment; and
- (ii) Recovery of amount due from holding company, Zil Enterprise Sdn Bhd ("ZESB")

- c) 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) Recovery of amount due from ZESB  
ZESB has paid approximately the amount of RM100,000.00 which had reduced the amount owing from ZESB to the Group. ZESB is expecting to reduce the amount due by monetizing its assets in its investment properties in next year.

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 Stratavest Sdn Bhd ("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.



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

**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 24 May 2022.

By order of the Board.

Date: 24 May 2022