



EDEN INC. BERHAD

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

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31 DECEMBER 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 DECEMBER 2022

Note	Individual Quarter 3 months ended			Cumulative Quarter 6 months ended		
	31.12.2022 (RM'000)	31.12.2021 (RM'000)	Changes %	31.12.2022 (RM'000)	31.12.2021 (RM'000)	Changes %
Revenue	38,903	11,053	252	73,110	17,268	323
Cost of sales	(29,227)	(5,791)	405	(54,429)	(8,973)	507
Gross profit	9,676	5,262	84	18,681	8,295	125
Other income	743	689	8	46,462	3,995	1,063
Administrative expenses	(6,075)	(4,371)	39	(11,448)	(8,086)	42
Selling and marketing expenses	(216)	(99)	118	(367)	(169)	117
Other expenses	(797)	(502)	59	(1,510)	(1,179)	28
Operating profit	3,331	979	240	51,818	2,856	1,714
Finance costs	(820)	(570)	44	(1,690)	(1,156)	46
Profit before taxation	2,511	409	514	50,128	1,700	2,849
Taxation	(988)	7	(14,214)	(1,790)	-	100
Profit for the year representing total comprehensive income for the year	1,523	416	266	48,338	1,700	2,743
Total comprehensive income attributable to:						
Equity holders of the Company	1,523	471	223	48,338	1,784	2,610
Non-controlling interests	-	(55)	(100)	-	(84)	(100)
	1,523	416	266	48,338	1,700	2,743
Earnings per share attributable to equity holders of the Company (sen)						
- Basic	0.33	0.10		10.52	0.39	

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 2022 and the accompanying explanatory notes attached to these interim financial statements.

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

	Note	As At 31.12.2022 RM'000 (Unaudited)	As At 30.06.2022 RM'000 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	11	37,851	39,814
Right-of-use assets		19,008	20,239
Investment properties		179,654	211,159
Deferred tax assets		29,337	29,940
Other assets		-	-
Other investments		94	94
		<u>265,944</u>	<u>301,246</u>
Current assets			
Inventories		6,154	4,338
Trade and other receivables		23,388	11,120
Amount due from immediate holding company		40,501	47,002
Tax recoverable		89	136
Cash and bank balances		56,136	8,730
		<u>126,268</u>	<u>71,326</u>
Total assets		<u>392,212</u>	<u>372,572</u>
Equity and liabilities			
Equity attributable to equity holders of the Company			
Share capital		332,260	332,260
Fair value reserve		86	86
Accumulated losses		(51,740)	(100,078)
		<u>280,606</u>	<u>232,268</u>
Non-controlling interests		<u>(1,671)</u>	<u>(1,671)</u>
Total equity		<u>278,935</u>	<u>230,597</u>
Non-current liabilities			
Borrowings	22	16,500	25,507
Lease liabilities		3,536	2,947
Deferred income		-	-
Deferred tax liabilities		22,097	22,107
		<u>42,133</u>	<u>50,561</u>
Current liabilities			
Trade and other payables		52,756	61,616
Borrowings	22	9,498	18,613
Lease liabilities		56	1,187
Amount due to a director		-	3
Deferred income		408	1,032
Tax payable		8,426	8,963
		<u>71,144</u>	<u>91,414</u>
Total liabilities		<u>113,277</u>	<u>141,975</u>
Total equity and liabilities		<u>392,212</u>	<u>372,572</u>
Net assets per share (RM)		0.61	0.50

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 2022 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 CHANGES IN EQUITY
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 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			
As at 1 July 2022	332,260	86	(100,078)	232,268	(1,671)	230,597
Total comprehensive income/(expense)	-	-	48,338	48,338	-	48,338
Issuance of ordinary shares pursuant to private placement	-	-	-	-	-	-
As at 31 December 2022	332,260	86	(51,740)	280,606	(1,671)	278,935
As at 1 July 2021	324,862	46	(101,525)	223,383	(1,158)	222,225
Total comprehensive income/(expense)	-	-	1,784	1,784	(84)	1,700
As at 31 December 2021	324,862	46	(99,741)	225,167	(1,242)	223,925

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 2022 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 DECEMBER 2022**

	6 months 31.12.2022 RM'000	6 months 31.12.2021 RM'000
Cash flow from operating activities		
Profit/(loss) before taxation	50,128	1,700
Adjustment for:		
Interest income	(364)	(19)
Interest expense	1,690	1,156
Depreciation of property, plant and equipment	2,957	2,646
Amortisation of right-of-use assets	423	358
Amortisation of deferred income	357	(43)
Net gain on compulsory disposal of investment properties	(45,359)	-
Net fair value adjustment of investment properties	-	(2,648)
Operating cash flows before changes in working capital	<u>9,832</u>	<u>3,150</u>
<u>Changes in working capital</u>		
Changes in inventories	(1,816)	(496)
Changes in trade and other receivables	(11,618)	75
Changes in trade and other payables	(11,525)	(1,090)
Cash generated from operating activities	<u>(15,127)</u>	<u>1,639</u>
Net income tax paid	(1,198)	-
Interest paid	(1,690)	(1,156)
Net cash generated from/(used in) operating activities	<u>(18,015)</u>	<u>483</u>
Cash flows from investing activities		
Purchase of property, plant and equipments	(186)	(612)
Proceeds from disposal of investment properties	76,864	-
Net changes in amount due from/(to) immediate holding company	6,501	-
Interest received	364	19
Net cash generated from/(used in) investing activities	<u>83,543</u>	<u>(593)</u>
Cash flows from financing activities		
Increase/(decrease) in fixed deposits pledged	(2)	(521)
Proceeds from issuance shares	-	7,397
Net repayment of term loans and lease liabilities	(14,126)	(4,235)
Net cash generated from/(used in) financing activities	<u>(14,128)</u>	<u>2,641</u>
Net decrease in cash and cash equivalents	51,400	2,531
Cash and cash equivalent at beginning of year	2,996	(990)
Cash and cash equivalents at end of period	<u>54,396</u>	<u>1,541</u>
Cash and cash equivalents comprise the following:		
Cash and bank balances	56,136	8,818
Pledged fixed deposits	(242)	(1,781)
Bank overdraft	(1,498)	(5,496)
	<u>54,396</u>	<u>1,541</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 2022 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 DECEMBER 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 2022.

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 2022.

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 2022.

The adoption of the Amendments to MFRSs and Issues Committee (IC) that came into effect on 1 January 2022 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 December 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	
	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000
Interest income:				
Fixed deposits	331	12	364	19
	<u>331</u>	<u>12</u>	<u>364</u>	<u>19</u>
Other income:				
Rental income	-	490	245	490
Gain on compulsory disposal of investment property	-	-	45,359	-
Miscellaneous income	412	187	494	187
	<u>412</u>	<u>677</u>	<u>46,098</u>	<u>677</u>
	<u>743</u>	<u>689</u>	<u>46,462</u>	<u>696</u>

9. OTHER EXPENSES

	Individual Quarter		Cumulative Quarter	
	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000
Depreciation of plant, property and equipment	359	79	1,071	756
Amortisation of right of use assets	423	423	423	423
	<u>797</u>	<u>502</u>	<u>1,510</u>	<u>1,179</u>

10. SEGMENTAL INFORMATION

Segmental results by business activities:

RESULTS FOR THE INDIVIDUAL QUARTER

	Energy			F&B and Tourism			Manufacturing			Investment			Eliminations		Total		
	31.12.2022 RM'000	31.12.2021 RM'000	Changes %	31.12.2022 RM'000	31.12.2021 RM'000	Changes %	31.12.2022 RM'000	31.12.2021 RM'000	Changes %	31.12.2022 RM'000	31.12.2021 RM'000	Changes %	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000	Changes %
Revenue																	
Sales to external customers	32,412	6,747	380	6,491	4,306	51	-	-	-	-	-	-	-	-	38,903	11,053	252
Inter-segment sales	-	-	-	-	-	-	-	-	-	371	233	59	(371)	(233)	-	-	-
Total segment revenue	32,412	6,747	380	6,491	4,306	51	-	-	100	371	233	59	(371)	(233)	38,903	11,053	252
Results																	
Other income	61	5	1,120	180	462	(61)	-	-	100	645	428	51	(143)	(206)	743	689	8
Segment profit/(loss)	1,875	(529)	(454)	2,308	2,043	13	-	(101)	(100)	(1,668)	(1,071)	56	(4)	67	2,511	409	514

RESULTS FOR THE CUMULATIVE QUARTER

	Energy			F&B and Tourism			Manufacturing			Investment			Eliminations		Total		
	31.12.2022 RM'000	31.12.2021 RM'000	Changes %	31.12.2022 RM'000	31.12.2021 RM'000	Changes %	31.12.2022 RM'000	31.12.2021 RM'000	Changes %	31.12.2022 RM'000	31.12.2021 RM'000	Changes %	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000	Changes %
Revenue																	
Sales to external customers	60,535	11,441	429	12,575	5,781	118	-	46	100	-	-	-	-	-	73,110	17,268	323
Inter-segment sales	-	-	-	-	-	-	-	-	-	742	467	59	(742)	(467)	-	-	-
Total segment revenue	60,535	11,441	429	12,575	5,781	118	-	46	100	742	467	59	(742)	(467)	73,110	17,268	323
Results																	
Other income	74	9	722	290	873	(67)	-	22	100	46,447	3,502	1,226	(349)	(411)	46,462	3,995	1,063
Segment profit/(loss)	3,158	121	2,510	4,519	1,058	327	(53)	(159)	(67)	42,530	638	6,566	(26)	42	50,128	1,700	2,849
Segment assets	203,969	189,131	8	113,450	111,217	2	206	987	(79)	353,612	338,384	5	(279,025)	(278,949)	392,212	360,770	9
Segment liabilities	221,753	211,340	5	85,420	89,669	(5)	1,738	1,741	(0)	96,139	95,738	0	(291,773)	(269,042)	113,277	129,446	(12)

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 2022.

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 December 2022 and 30 June 2022 are as follows:

	As at 31.12.2022 RM'000	As at 30.06.2022 RM'000
Capital expenditure		
Approved but not contracted for:		
Property, plant and equipment	14,134	7,850

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) 2nd Quarter FYE 2022 vs. 2nd Quarter FYE 2021

For the current quarter ended 31 December 2022 ("2Q FY22/23"), the Group recorded revenue of **RM38.9** million, contributed mainly by the Energy Sector of **RM32.41** million. The Group recorded a Profit Before Tax ("PBT") of **RM2.51** million for 2Q FY22/23 compared to PBT of **RM0.41M** in the corresponding quarter ended 31 December 2021 ("2Q FY21/22"), primarily due to higher revenue recorded by Energy Sector and Food & Beverage and Tourism Sector.

Energy Sector: The sector recorded revenue and PBT of **RM32.41** million and **RM1.87** million respectively in 2Q FY22/23 compared to 2Q FY21/22 revenue and Loss Before Tax ("LBT") of **RM6.75** million and **RM0.53** million. The improved profitability was a result of the recommencement of the Libaran Plant and optimum performance of the Sungai Kenerong Plant.

Food & Beverage and Tourism Sector: The sector revenue and PBT of **RM6.49** million and **RM2.31** million respectively in 2Q FY22/23 compared to 2Q FY21/22 revenue and PBT of **RM4.31** million and **RM2.04** million. The higher PBT recorded was attributable to higher revenue registered by the Food and Beverage segment from the increase in business volume.

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

For the year-to-date ended 31 December 2022 ("YTD FY22/23"), the Group recorded a significant increase in the PBT (excluding the Extraordinary Gain) of **RM4.77** million compared to a PBT of **RM1.7** million recorded in the corresponding period ("YTD FY21/22"). The significant improvement in the overall results were driven by the better performance in all sectors. Consequentially, with the Compulsory Acquisition by the Government of Malaysia on the Company's investment properties for the East Coast Rail Link project, the Group recognised an Extraordinary Gain of **RM45.4** million resulting in a PBT of **RM50.13** million.

Energy Sector: The sector remains the main contributor of the Group by registering revenue and PBT of **RM60.54** million and **RM3.16** million in YTD FY22/23 compared to revenue and PBT of **RM11.44** million and **RM0.12** million recorded in YTD FY21/22. The improvement was mainly contributed by the recommissioning of Libaran Plant and the optimum performance of the Sungai Kenerong Plant.

F&B and Tourism Sector: The sector recorded revenue and PBT of **RM12.57** million and **RM4.52** million respectively in YTD FY22/23 compared to YTD FY21/22 revenue and PBT of **RM5.78** million and **RM1.06** million. The improvement in PBT recorded was mainly due to higher revenue generated by tourism segment following the ease of travel restrictions and higher business volume for Food and Beverage segment.

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

	Quarter Ended		
	31.12.2022 RM'000	30.09.2022 RM'000	Changes %
Revenue	38,903	34,206	14
Cost of sales	(29,227)	(25,202)	16
Gross profit	9,676	9,004	7
Other income	743	45,719	(98)
Administrative expenses	(6,075)	(5,374)	13
Selling and marketing expenses	(216)	(151)	43
Other expenses	(797)	(712)	12
Operating profit/(loss)	3,331	48,486	(93)
Finance costs	(820)	(870)	(6)
Profit/(loss) before taxation	2,511	47,616	(95)

The Group recorded PBT of **RM2.51** million as compared to PBT of **RM47.62** million in the preceding quarter ended 30 September 2022. The higher PBT recorded in 2Q FY21/22 primarily due to the gain on compulsory disposal of partial land classified as investment properties for the ECRL project.

17. COMMENTARY ON PROSPECTS

The Malaysian economy is on track to surpass pre-pandemic growth in the year 2022, supported by several factors, including expansion in domestic demand and contribution by the tourism-related sector following an increase in the number of tourist arrivals.

For the Group, the Financial Year Ended 30 June 2023 (FY22/23) is anticipated to be a better year, with positive contributions from all sectors.

The optimal operations of the Sungai Kenerong Plant and Libaran Plant and the recovery of the Tourism industry will ensure that the Energy Sector and the Tourism segment will continue to be the main contributor for the Group. The Food and Beverage segment of the Group will contribute positively by capitalising on the seasonal nature of the industry.

The Group will continue to be adaptive to market changes, to achieve efficient cost structure and to focus to expand the businesses.

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		
31.12.2022	31.12.2021	31.12.2022	31.12.2021	
RM'000	RM'000	RM'000	RM'000	
Current tax:				
Malaysian income tax	(636)	7	(1,198)	-
Deferred tax	(352)	-	(592)	-
Total income tax expense	(988)	7	(1,790)	-

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

There are no corporate proposals announced but not completed as at the date of this report.

21. TRADE RECEIVABLES

	As at 31.12.2022 RM'000	As at 30.06.2022 RM'000
Trade receivables	25,859	21,296
Less: Allowance for impairment	(12,452)	(12,628)
	<u>13,407</u>	<u>8,668</u>

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

Current	11,634	8,064
<i>Past due not impaired</i>		
Less than 30 days	1,286	7
31 to 60 days	405	550
61 to 90 days	74	19
More than 90 days	8	28
	1,773	604
Impaired	12,452	12,628
	<u>25,859</u>	<u>21,296</u>

22. BORROWINGS

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

	As at 31.12.2022 RM'000	As at 30.06.2022 RM'000
Current		
Secured:		
Bank overdraft	1,498	5,494
Bank loans	8,000	13,119
	<u>9,498</u>	<u>18,613</u>
Non-current		
Secured:		
Bank loans	16,500	25,507
Total borrowings	<u>25,998</u>	<u>44,120</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	
	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000
Profit attributable to owners of the Company	1,523	471	48,338	1,784
	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)	0.33	0.10	10.52	0.39

(b) Diluted

The Group have no dilution in earnings per ordinary share as there are no dilutive potential ordinary shares. There have been no other transactions involving ordinary shares or potential ordinary share for the quarter under review.

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 27 February 2023.

By order of the Board.

Date: 27 February 2023