



EDEN INC. BERHAD

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

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED
31 DECEMBER 2023**



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 2023**

Note	Individual Quarter 3 months ended			Cumulative Quarter 6 months ended		
	31.12.2023 (RM'000)	31.12.2022 (RM'000)	Changes %	31.12.2023 (RM'000)	31.12.2022 (RM'000)	Changes %
Revenue	49,134	38,903	26	89,148	73,110	22
Cost of sales	(40,080)	(29,227)	37	(70,279)	(54,429)	29
Gross profit	9,054	9,676	(6)	18,869	18,681	1
Other income	363	743	(51)	1,603	46,462	(97)
Administrative expenses	(6,965)	(6,075)	15	(13,516)	(11,448)	18
Selling and marketing expenses	(298)	(216)	38	(623)	(367)	70
Other expenses	(590)	(797)	(26)	(1,329)	(1,510)	(12)
Operating profit	1,564	3,331	(53)	5,004	51,818	(90)
Finance costs	(346)	(820)	(58)	(697)	(1,690)	(59)
Profit before taxation	1,218	2,511	(51)	4,307	50,128	(91)
Taxation	(650)	(988)	(34)	(1,727)	(1,790)	(4)
Profit for the year representing total comprehensive income for the year	568	1,523	(63)	2,580	48,338	(95)
Total comprehensive income attributable to:						
Equity holders of the Company	568	1,523	(63)	2,580	48,338	(95)
Non-controlling interests	-	-	-	-	-	-
	568	1,523	(63)	2,580	48,338	(95)
Earnings per share attributable to equity holders of the Company (sen)						
- Basic	25	0.12	0.33	0.56	10.52	

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 2023 and the accompanying explanatory notes attached to these interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	Note	As At 31.12.2023 RM'000 (Unaudited)	As At 30.06.2023 RM'000 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	11	29,100	30,787
Right-of-use assets		17,560	18,371
Investment properties		180,118	180,118
Deferred tax assets		11,800	12,245
Other investments		101	101
		<u>238,679</u>	<u>241,622</u>
Current assets			
Inventories		3,826	5,060
Trade and other receivables		41,729	29,372
Amount due from immediate holding company		41,326	41,326
Tax recoverable		112	112
Cash and bank balances		34,707	42,897
		<u>121,700</u>	<u>118,767</u>
Total assets		<u>360,379</u>	<u>360,389</u>
Equity and liabilities			
Equity attributable to equity holders of the Company			
Share capital		332,260	332,260
Fair value reserve		93	93
Accumulated losses		(73,635)	(76,215)
		<u>258,718</u>	<u>256,138</u>
Non-controlling interests		<u>(1,653)</u>	<u>(1,653)</u>
Total equity		<u>257,065</u>	<u>254,485</u>
Non-current liabilities			
Borrowings	22	8,500	12,500
Lease liabilities		2,699	2,531
Deferred tax liabilities		18,888	18,887
		<u>30,087</u>	<u>33,918</u>
Current liabilities			
Trade and other payables		55,848	52,324
Borrowings	22	9,500	9,521
Lease liabilities		452	848
Deferred income		-	513
Tax payable		7,427	8,780
		<u>73,227</u>	<u>71,986</u>
Total liabilities		<u>103,314</u>	<u>105,904</u>
Total equity and liabilities		<u>360,379</u>	<u>360,389</u>
Net assets per share (RM)		0.56	0.56

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 2023 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 DECEMBER 2023

	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 2023	332,260	93	(76,215)	256,138	(1,653)	254,485
Total comprehensive income	-	-	2,580	2,580	-	2,580
As at 31 December 2023	332,260	93	(73,635)	258,718	(1,653)	257,065
As at 1 July 2022	332,260	86	(100,078)	232,268	(1,671)	230,597
Total comprehensive income	-	-	48,338	48,338	-	48,338
As at 31 December 2022	332,260	86	(51,740)	280,606	(1,671)	278,935

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 2023 and the accompanying explanatory notes attached to these interim financial statements.



EDEN INC. BERHAD (197701005144 (36216-V))
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2023**

	6 months 31.12.2023 RM'000	6 months 31.12.2022 RM'000
Cash flow from operating activities		
Profit before taxation	4,307	50,128
Adjustment for:		
Interest income	(491)	(364)
Interest expense	697	1,690
Depreciation of property, plant and equipment	2,867	2,957
Amortisation of right-of-use assets	229	423
Amortisation of deferred income	(513)	357
Net gain on compulsory disposal of investment properties	-	(45,359)
Operating cash flows before changes in working capital	7,096	9,832
<u>Changes in working capital</u>		
Changes in inventories	1,234	(1,816)
Changes in trade and other receivables	(12,356)	(10,617)
Changes in trade and other payables	3,298	(11,525)
Cash generated from operating activities	(728)	(14,126)
Net income tax paid	(2,636)	(1,198)
Interest paid	(697)	(1,690)
Net cash generated from/(used in) operating activities	(4,061)	(17,014)
Cash flows from investing activities		
Purchase of property, plant and equipments	(599)	(186)
Proceeds from disposal of investment property	-	76,864
Net changes in amount due from/(to) immediate holding company	-	5,500
Interest received	491	364
Net cash generated from/(used in) investing activities	(108)	82,542
Cash flows from financing activities		
Increase/(decrease) in fixed deposits pledged	(2)	(2)
Net repayment of term loans and lease liabilities	(4,000)	(14,126)
Net cash generated from/(used in) financing activities	(4,002)	(14,128)
Net decrease in cash and cash equivalents	(8,171)	51,400
Cash and cash equivalent at beginning of year	41,101	2,996
Cash and cash equivalents at end of period	32,930	54,396
Cash and cash equivalents comprise the following:		
Cash and bank balances	34,707	56,136
Pledged fixed deposits	(277)	(242)
Bank overdraft	(1,500)	(1,498)
	32,930	54,396

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 30 SEPTEMBER 2023**

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 2023.

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 2023.

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 2023.

The adoption of the Amendments to MFRSs and Issues Committee (IC) that came into effect on 1 January 2023 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 2023.

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	
	31.12.2023 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Interest income:				
Fixed deposits	231	331	491	364
	<u>231</u>	<u>331</u>	<u>491</u>	<u>364</u>
Other income:				
Rental income	-	-	-	245
Gain on compulsory disposal of investment property	-	-	-	45,359
Miscellaneous income	132	412	1,112	494
	<u>132</u>	<u>412</u>	<u>1,112</u>	<u>46,098</u>
	<u>363</u>	<u>743</u>	<u>1,603</u>	<u>46,462</u>

9. OTHER EXPENSES

	Individual Quarter		Cumulative Quarter	
	31.12.2023 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Depreciation of plant, property and equipment	361	359	1,100	1,071
Amortisation of right of use assets	229	423	229	423
Miscellaneous expenses	-	15	-	16
	<u>590</u>	<u>797</u>	<u>1,329</u>	<u>1,510</u>

10. SEGMENTAL INFORMATION

Segmental results by business activities:

RESULTS FOR THE INDIVIDUAL QUARTER

	Energy			F&B and Tourism			Manufacturing			Investment			Eliminations		Total		
	31.12.2023 RM'000	31.12.2022 RM'000	Changes %	31.12.2023 RM'000	31.12.2022 RM'000	Changes %	31.12.2023 RM'000	31.12.2022 RM'000	Changes %	31.12.2023 RM'000	31.12.2022 RM'000	Changes %	31.12.2023 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2022 RM'000	Changes %
Revenue																	
Sales to external customers	40,369	32,412	25	8,765	6,492	35	-	-	-	-	-	-	-	-	49,134	38,904	26
Inter-segment sales	-	-	-	-	-	-	-	-	-	375	371	1	(375)	(372)	-	(1)	-
Total segment revenue	40,369	32,412	25	8,765	6,492	35	-	-	-	375	371	1	(375)	(372)	49,134	38,903	26
Results																	
Other income	18	61	(70)	131	180	(27)	-	-	-	428	645	(34)	(214)	(143)	363	743	(51)
Segment profit/(loss)	355	1,875	(81)	2,923	2,308	27	-	-	-	(2,182)	(1,668)	31	121	(4)	1,217	2,511	(52)

RESULTS FOR THE CUMULATIVE QUARTER

	Energy			F&B and Tourism			Manufacturing			Investment			Eliminations		Total		
	31.12.2023 RM'000	31.12.2022 RM'000	Changes %	31.12.2023 RM'000	31.12.2022 RM'000	Changes %	31.12.2023 RM'000	31.12.2022 RM'000	Changes %	31.12.2023 RM'000	31.12.2022 RM'000	Changes %	31.12.2023 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2022 RM'000	Changes %
Revenue																	
Sales to external customers	72,485	60,535	20	16,663	12,574	33	-	-	-	-	-	-	-	-	89,148	73,109	22
Inter-segment sales	-	-	-	-	-	-	-	-	-	750	742	1	(750)	(741)	-	1	-
Total segment revenue	72,485	60,535	20	16,663	12,574	33	-	-	-	750	742	1	(750)	(741)	89,148	73,110	22
Results																	
Other income	35	74	(53)	151	290	(48)	-	-	-	1,842	46,447	(96)	(425)	(349)	1,603	46,462	(97)
Segment profit/(loss)	2,352	3,158	(26)	4,573	4,519	1	-	(53)	(100)	(3,073)	42,530	(107)	455	(26)	4,307	50,128	(91)
Segment assets	189,973	203,969	(7)	116,808	113,450	3	124	206	(40)	337,740	353,612	(4)	(284,266)	(284,857)	360,379	386,380	(7)
Segment liabilities	224,127	221,753	1	69,310	53,880	29	1,880	1,926	(2)	61,585	77,882	(21)	(253,588)	(242,165)	103,314	113,276	(9)

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 2023.

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 2023 and 30 June 2023 are as follows:

	As at 31.12.2023 RM'000	As at 30.06.2023 RM'000
Capital expenditure		
Approved but not contracted for:		
Property, plant and equipment	5,260	1,381

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) Current Quarter vs. Preceding Corresponding Quarter

For the quarter ended 31 December 2023 ("2Q FYE 2024"), the Group's revenue increased by RM10.23 million or 26.3% to RM49.13 million from RM38.90 million reported in the corresponding quarter ended 31 December 2022 ("2Q FYE 2023"). All sectors recorded revenue growth during the quarter under review.

Despite the increase in revenue, the Group recorded a lower Profit Before Tax ("PBT") of RM1.22 million in 2Q FYE 2024, when compared to 2Q FYE 2023, mainly due to the performance of the Energy segment.

Energy Segment

Revenue in the Energy segment increased by 24.5% to RM40.37 million compared to RM32.41 million recorded in 2Q FYE 2023, primarily boosted by the higher demand of electricity in Sabah.

However, the segment's PBT declined to RM0.36 million from RM1.88 million recorded in 2Q FYE 2023, which was mainly attributed to the increase in fuel consumption and prices. In addition, the Sungai Kenerong plant achieved the annual net firm energy in early November, resulting in lower tariff rates recognised for the subsequent energy despatched during the quarter under review.

Food and Beverage ("F&B") and Tourism Sector

Revenue in the F&B and Tourism segment increased by 35% to RM8.77 million from RM6.49 million reported in 2Q FYE 2023. The increase in revenue was mainly contributed by the commencement of F&B operations in Bank Negara.

This segment recorded PBT of RM2.92 million for 2Q FYE 2024, an increase of 26.6% compared to RM2.31 million in 2Q FYE 2023. The higher PBT was due to the increase in revenue and higher other income, which mitigated the impact of increased manpower cost due to the commencement of F&B operations in Bank Negara.

(b) Current Financial Year-to-Date vs. Preceding Corresponding Financial Year-to-Date

The Group's revenue for the period ended 31 December 2023 ("YTD FYE 2024") was RM89.15 million, an increase of 21.9% compared to RM73.11 million recorded for the year ended 31 December 2022 ("YTD FYE 2023"). This was largely contributed by the higher revenue from the Energy segment.

The Group recorded PBT of RM4.31 million in YTD FYE 2024 compared to RM4.77 million in YTD FYE 2023, which excluded the one-off gain of RM45.36 million recognized from the compulsory acquisition of land by the Government in YTD FYE 2023.

Energy Segment

Revenue in the Energy segment increased by 19.7% to RM72.49 million from RM60.54 million in YTD FYE 2023 which was primarily boosted by the higher electricity demand in Sabah. However, the PBT recorded in FYE 2023 was RM2.35 million as compared to RM3.16 million in YTD FYE 2022, due to the higher cost of sales related to the major overhaul of the Libaran plant engine, compounded by the increase in fuel consumption and prices.

15. PERFORMANCE REVIEW (CONT'D)

(b) Current Financial Year-to-Date vs. Preceding Corresponding Financial Year-to-Date

Food and Beverage (“F&B”) and Tourism Sector

Revenue in the F&B and Tourism segment increased by 32.5% to RM16.66 million from RM12.57 million recorded in YTD FYE 2023. The increase in revenue was primarily contributed by the commencement of F&B operations in Bank Negara.

The segment's PBT for YTD FYE 2023 increased by 1.2% to RM4.57 million from RM4.52 million recorded in YTD FYE 2023. This was due to the increase in revenue and recognition of other income, offset by higher administrative and overhead costs.

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

	Quarter Ended		
	31.12.2023 RM'000	30.09.2023 RM'000	Changes %
Revenue	49,134	40,014	23
Cost of sales	(40,080)	(30,199)	33
Gross profit	9,054	9,815	(8)
Other income	363	1,239	(71)
Administrative expenses	(6,965)	(6,550)	6
Selling and marketing expenses	(298)	(326)	(9)
Other expenses	(590)	(739)	(20)
Operating profit/(loss)	1,564	3,439	(55)
Finance costs	(346)	(351)	(1)
Profit/(loss) before taxation	1,218	3,088	(61)

The Group recorded PBT of RM1.22 million compared to RM3.09 million in the preceding quarter ended 30 September 2023. The lower PBT recorded during the quarter was mainly due to the increase in cost of sales for the Energy segment, which arose from higher fuel consumption and prices.

17. COMMENTARY ON PROSPECTS

The Group has been profitable in the first half of the financial year and expects to perform satisfactorily in the financial year ending 30 June 2024.

The Energy segment will continue to drive the positive results, focusing on optimising the generation and improving efficiency through effective maintenance schedules for both the hydro and diesel-fired power plants. However, costs of repair and maintenance will be adversely affected by the weaker Ringgit due to the spare parts costs.

Tourism segment will work closely with the local tourism authorities and business partners to secure the projected higher visitors to Underwater World Langkawi whilst the Food and Beverage segment will continue to procure strategic partners to expand its operations. Nevertheless, the Group remains cautious on the performance of the Food and Beverage and Tourism segment which could be weighed down by the continued inflationary pressures resulting in an increase in raw materials, feedstock costs and reduced consumer's ability and willingness to spend.

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	
31.12.2023	31.12.2022	31.12.2023	31.12.2022
RM'000	RM'000	RM'000	RM'000
Current tax:			
	(707)	(636)	(1,283)
Malaysian income tax			(1,198)
Deferred tax	57	(352)	(444)
			(592)
Total income tax expense	(650)	(988)	(1,727)
			(1,790)

The effective tax rate for the current financial quarter was higher than the statutory tax rate of 24% mainly due to higher non-deductible expenses.

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 31.12.2023 RM'000	As at 30.06.2023 RM'000
Trade receivables	29,058	17,722
Less: Allowance for impairment	<u>(1,213)</u>	<u>(1,213)</u>
	<u>27,845</u>	<u>16,509</u>

The ageing analysis of the Group's trade receivables as at 31 December 2023 is as follows:

Current	14,984	15,332
<i>Past due not impaired</i>		
Less than 30 days	12,396	232
31 to 60 days	251	141
61 to 90 days	214	799
More than 90 days	-	5
	<u>12,861</u>	<u>1,177</u>
Impaired	1,213	1,213
	<u>29,058</u>	<u>17,722</u>

22. BORROWINGS

Group loans and borrowings as at 31 December 2023 and 30 June 2023 denominated in Ringgit Malaysia were:

	As at 31.12.2023 RM'000	As at 30.06.2023 RM'000
Current		
Secured:		
Bank overdraft	1,500	1,521
Bank loans	<u>8,000</u>	<u>8,000</u>
	<u>9,500</u>	<u>9,521</u>
Non-current		
Secured:		
Bank loans	<u>8,500</u>	<u>12,500</u>
Total borrowings	<u>18,000</u>	<u>22,021</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	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Profit attributable to owners of the Company	568	1,523	2,580	48,338
	Number of shares ('000)			
Weighted average number of ordinary shares in issue	459,414	459,414	459,414	459,414
Basic earnings per share (sen)	0.12	0.33	0.56	10.52

(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.

26. 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 2024.

By order of the Board.

Date: 27 February 2024