

EDEN INC. BERHAD (“EDEN” OR “THE COMPANY”)

**TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS): NON RELATED PARTY
TRANSACTIONS**

**PROPOSED DISPOSAL OF ONE VACANT INDUSTRIAL LAND HELD UNDER PLOT 5,
PAJAKAN NEGERI NO. 21371, LOT 8910 (PREVIOUSLY KNOWN AS HSD 16512, NO.
PT 6437), MUKIM SUNGAI KARANG, DAERAH KUANTAN, NEGERI PAHANG (“THE
PROPERTY”)**

1. INTRODUCTION

The Board of Directors of Eden (the Vendor) wishes to announce that the Company had on 25 June 2015, entered into a Sale and Purchase Agreement (SPA) with GIP Development Sdn Bhd (GIP or the Purchaser), to dispose of its one piece of vacant industrial land held under Pajakan Negeri No. 21371, Lot 8910 (previously known as HSD 16512, No. PT 6437), Mukim Sungai Karang, Daerah Kuantan, Negeri Pahang (the Property) for total cash consideration of RM22,709,243.70 hereinafter referred to as the Proposed Disposal.

2. BACKGROUND INFORMATION

2.1 Information on the Purchaser

GIP was incorporated on 29 August 2014 in Malaysia as a private limited company under the Companies Act, 1965.

The authorized share capital of GIP is RM400,000.00 comprising 400,000 ordinary shares of RM1.00 each and the issued and paid-up share capital of GIP is RM2.00 comprising 2 ordinary shares of RM1.00 each.

GIP is principally involved in the business of buying, selling, renting and operating of self-owned or leased real estate/land.

2.2 Information on the Property

The industrial land was acquired by Eden in November 2003 from Zil Enterprise Sdn. Bhd. Details of the property are set out in the table below:

Title Details	:	Plot 5, Pajakan Negeri No. 21371, Lot 8910, Mukim Sungai Karang, Daerah Kuantan, Negeri Pahang.
Land area	:	80.205 acres
Original cost	:	RM11,800,288.99
Audited value as at 31 December 2014	:	RM22,709,243.70
Restriction in interest	:	The land shall not be transferred, leased or charged without consent of the State Authority
Encumbrance	:	The land is currently charged to UOB Bank (Malaysia) Berhad for credit facility granted to Eden's subsidiary namely Time Era Sdn. Bhd.

2.3 Basis and Justification for the Sale Consideration

The sale consideration of RM22,709,243.70 was arrived at on a willing buyer-willing seller basis through direct negotiation between the Vendor and the Purchaser without any valuation carried out. The management has taken into consideration of the market price of property transactions within Gebeng Industrial Estate area.

The sale of the Property will ultimately boost the group cash flow (net inflow is estimated at RM15.70 million). The proceeds arising from the Proposed Disposal shall be utilized for the Eden Group's working capital purposes and reduce its borrowing.

2.4 Salient Terms of the SPA

The salient terms of the Proposed Disposal asset out in the SPA include among others, the following:

A. Payment Terms

The payment terms of the Consideration Price are as follows:

- (i) The deposit of RM2,270,924.37 only (~~the Deposit~~) shall be paid to the Vendor ~~solicitors~~ upon execution of the SPA as deposit and part payment of the Consideration Price.
- (ii) The balance purchase price of RM20,438,319.33 only (~~the Balance Purchase Price~~) shall be paid to the Vendor within ninety (90) days from the date of fulfillment of all the conditions precedent (~~Completion Period~~) or failing which, the Completion Period shall be automatically be extended for another thirty (30) days (~~Extended Completion Period~~), subject to the condition that the Purchaser shall pay to the Vendor interest on the Balance Purchase Price or any part thereof outstanding and remaining unpaid at the rate of 8% per annum for the remaining thirty (30) days.

B. Conditions Precedent

The Proposed Disposal of the Property shall be conditional upon the following conditions precedent being fulfilled:

- (i) The Vendor having obtained the relevant State Authority Consent for the transfer of the Property from the Vendor to the Purchaser at its own cost and expense; and
- (ii) The Purchaser obtains approval to acquire the Property from the Economic Planning Unit (EPU) of the Prime Minister's Department at its own cost and expense.

The SPA shall become unconditional on the date of receipt of the State Authority Consent by the Purchaser or the Purchaser's Solicitors and the receipt of approval from the EPU.

C. Exclusion of the Acquired Land by the Government

- (i) The Purchaser acknowledges and shall make no claims on the portion of land that excluded from this SPA which has been acquired by the Government and acknowledges that Vendor is the sole owner and is in the process of claiming the compensation from the Government as stated in para 2.3.

- (ii) The Purchaser acknowledges and agrees that the compensation monies if received after completion of the Agreement and/or should the monies is made payable to the Purchaser, the Purchaser undertakes to refund the said monies to the vendor and shall become due and payable to the Vendor within seven (7) days from the date the monies was received by the Purchaser.

3. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

3.1 Loss per share

The proposed disposal of the said Property is dispose at the value equivalent to the fair value as at 31 December 2014, however, due to commission payable of RM454k, it shall increase loss per share from 2.84 sen to 2.98 sen .

3.2 Net assets and Gearing

Based on the audited consolidated balance sheet of Eden Group as at 31 December 2014, the effects of the Proposed Disposal on the net assets and gearing of the Eden Group are as follows:

	Audited as at 31 December 2004	After Proposed Disposal
	RM'000	RM'000
Share Capital	311,362	311,362
Other reserves	(136)	(136)
Accumulated losses	(35,750)	(36,204)
	275,476	275,022
Non-controlling interest	4,267	4,267
Total Equity / Net assets	279,743	279,289
Net assets per share (RM)	0.90	0.90
Borrowings	151,110	145,110
Gearing (times)	0.54	0.52

3.3 Share capital and substantial shareholders' shareholding

The Proposed Disposal will not have any effects on the share capital and the shareholdings of the substantial shareholders of Eden.

4. APPROVALS REQUIRED FOR THE PROPOSED DISPOSAL

The Proposed Disposal is conditional upon the approvals being obtained from:

- (a) The Board of Directors of Eden; and
- (b) any other necessary approvals by the relevant authorities.

5. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

None of the Directors and/or major shareholders of Eden or persons connected with them have any interest direct or indirect in the Proposed Disposal.

6. DIRECTORS' STATEMENT

The Board of Directors of Eden, after taking into consideration of all financial and other factors, is of the opinion that the terms and conditions of the Proposed Disposal are fair and reasonable and is in the best interest of Eden.

7. ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to receipt of all relevant approvals, the Proposed Disposal is expected to be completed upon full payment of the Balance Purchase Price within ninety (90) days from the date of fulfillment of all the Conditions Precedent.

8. HIGHEST PERCENTAGE RATIO APPLICABLE

The highest percentage ratio applicable to the Proposed Disposal pursuant to Paragraph 10.02(g) of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad is 8.12% based on the latest audited consolidated financial statements for the financial year ended 31 December 2014.

9. DOCUMENT AVAILABLE FOR INSPECTION

The SPA is available for inspection at the registered office of the Company at 15th Floor, Amcorp Tower, No. 18, Jalan Persiaran Barat, 46050 Petaling Jaya, Selangor during normal business hours on Mondays to Fridays (except public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 26 June 2015.