



Innovations that work.™

ACN 109 200 900

Appendix 4E
Unaudited Preliminary Financial Report
Year Ending 30 June 2021

The current reporting period is the year ended 30 June 2021. The previous corresponding period is the year ended 30 June 2020.

Results for announcement to the market:

		30 June 2021 \$000's	30 June 2020 \$000's	% Change	Up / Down
2.1	Revenue from ordinary activities	3,283	2,427	35%	Up
2.2	Loss from ordinary activities after tax attributable to shareholders	(5,759)	(9,106)	37%	Down
2.3	Loss for the year attributable to shareholders	(6,649)	(8,624)	23%	Down

Operating Results

Revenues grew in spite of the significant global impact of the COVID-19 pandemic and the loss from ordinary activities for the year fell due to lower operating costs and increased sales.

	30 June 2021 \$000's	30 June 2020 \$000's	% Change
EdenCrete® Sales	1,755	1,498	17%
OptiBlend® Sales	1,528	929	64%
Total Sales	3,283	2,427	35%

Financial Position

During the financial year, net assets of the company and its controlled entities increased by \$2.4 million from \$15.7 million as at 30 June 2020 to \$18.1 million as at 30 June 2021 primarily a result of capital raisings during the year.

Dividends and Other Returns to Shareholders

No dividends are proposed and no dividends were declared or paid during the current or prior period. There were no share buy backs or proposed share buy backs during the financial year.

Net tangible assets per share

	30 June 2021	30 June 2020
Net tangible* assets per share	\$0.0043	\$0.0044

* - This does not include any value for Eden's investment in its pyrolysis, EdenCrete® or OptiBlend® technology as these are intangible assets.

Audit

This preliminary financial report is based on accounts which are in the process of being audited. No disputes or qualifications are likely to occur. As the company and its controlled entities are currently reliant on raising capital to continue as a going concern and given the net working capital deficiency at reporting date, an emphasis of matter paragraph, which is not a qualification, regarding going concern may be included in the audit report.

This announcement was authorised by Aaron Gates.

For further information please contact Aaron Gates on +61 8 9282 5889.

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR YEAR ENDED 30 JUNE 2021

	Note	Consolidated Group	
		2021 \$	2020 \$
Revenue		3,282,822	2,427,105
Other income		7,380	4,034
Changes in inventories		1,211,995	(54,646)
Raw materials and consumables used		(2,159,214)	(504,926)
Depreciation and amortisation expense		(1,278,892)	(1,290,148)
Employee benefits expense		(4,156,472)	(5,482,160)
Finance costs		(747,810)	(477,371)
Legal and consultants		(614,303)	(948,088)
Management fees		(300,000)	(281,250)
Other financial items		105,115	19,409
Other expenses		(946,245)	(2,199,101)
Travel and accommodation		(163,135)	(346,640)
Loss before income tax		(5,758,759)	(9,133,782)
Income tax (expense)/benefit		-	27,791
Loss for the year		(5,758,759)	(9,105,991)
Other Comprehensive Income / (Loss)			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation reserve		(890,420)	482,298
Total Other Comprehensive Income / (Loss), net of tax		(890,420)	482,298
Total Comprehensive Income / (Loss) attributable to members of the parent		(6,649,179)	(8,623,693)
Basic/Diluted loss per share (cents per share)	2	(0.2912)	(0.5316)

The accompanying notes form part of these financial statements.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Consolidated Group	
	2021	2020
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	2,175,637	1,388,683
Trade and other receivables	568,709	396,366
Inventories	1,840,582	701,781
Other current assets	163,083	98,084
TOTAL CURRENT ASSETS	4,748,011	2,584,914
NON-CURRENT ASSETS		
Property, plant and equipment	10,607,478	11,999,422
Intangible assets	9,123,044	8,223,113
TOTAL NON-CURRENT ASSETS	19,730,522	20,222,535
TOTAL ASSETS	24,478,533	22,807,449
CURRENT LIABILITIES		
Trade and other payables	755,188	781,774
Interest bearing liabilities	4,771,126	816,566
Lease liabilities	2,302	-
Other liabilities	133,337	96,615
Provisions	171,341	180,313
TOTAL CURRENT LIABILITIES	5,833,294	1,875,268
NON-CURRENT LIABILITIES		
Interest bearing liabilities	486,143	5,181,439
Lease liabilities	10,413	-
Other liabilities	7,951	18,230
TOTAL NON-CURRENT LIABILITIES	504,507	5,199,669
TOTAL LIABILITIES	6,337,801	7,074,937
NET ASSETS	18,140,732	15,732,512
EQUITY		
Issued capital	114,736,287	105,503,776
Reserves	8,819,894	9,885,426
Accumulated losses	(105,415,449)	(99,656,690)
TOTAL EQUITY	18,140,732	15,732,512

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 30 JUNE 2021

	Consolidated Group				Total
	Fully Paid Ordinary Shares	Share based Payment Reserve	Foreign Currency Translation Reserve	Accumulated Losses	
	\$	\$	\$	\$	\$
Balance at 30 June 2019	102,636,700	8,134,763	818,970	(90,550,699)	21,039,734
Shares issued during the year, net of issue costs	2,867,076	-	-	-	2,867,076
Share based payments during the year	-	449,395	-	-	449,395
Loss for year	-	-	-	(9,105,991)	(9,105,991)
Other comprehensive income	-	-	482,298	-	482,298
Total comprehensive income/(loss)	-	-	482,298	(9,105,991)	(8,623,693)
Balance at 30 June 2020	105,503,776	8,584,158	1,301,268	(99,656,690)	15,732,512
Shares issued during the year, net of issue costs	9,232,511	-	-	-	9,232,511
Share based payments during the year	-	(175,112)	-	-	(175,112)
Loss for year	-	-	-	(5,758,759)	(5,758,759)
Other comprehensive income	-	-	(890,420)	-	(890,420)
Total comprehensive income/(loss)	-	-	(890,420)	(5,758,759)	(6,649,179)
Balance at 30 June 2021	114,736,287	8,409,046	410,848	(105,415,449)	18,140,732

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CONSOLIDATED STATEMENT OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2021

	Consolidated Group	
	2021	2020
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	3,184,141	2,441,797
Payments to suppliers and employees	(8,293,187)	(9,729,590)
Income taxes (paid)/received	-	27,791
Interest paid	(444,289)	(119,376)
Interest received	5,808	3,688
Net cash used in operating activities	<u>(5,547,527)</u>	<u>(7,375,690)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(459,981)	(97,120)
Payment for research and development	(1,449,268)	(2,180,633)
Net cash used in investing activities	<u>(1,909,249)</u>	<u>(2,277,753)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares, net of issue costs	8,823,011	2,843,473
Proceeds from borrowings, net of borrowing costs	-	8,125,557
Repayment of borrowings	(372,555)	(3,122,254)
Net cash provided by financing activities	<u>8,450,456</u>	<u>7,846,776</u>
Net increase/(decrease) in cash held	993,680	(1,806,667)
Net increase/(decrease) due to foreign exchange movements	(206,726)	(22,205)
Cash at beginning of financial year	<u>1,388,683</u>	<u>3,217,555</u>
Cash at end of financial year	<u><u>2,175,637</u></u>	<u><u>1,388,683</u></u>

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For the year ended 30 June 2021

NOTE 1: BASIS OF PREPERATION

The financial information included in this document for the year ended 30 June 2021 is unaudited. The financial information does not constitute the Eden Group's (the Group) full financial statements for the year ended 30 June 2021, which will be approved by the board, reported on by the auditors and filed with the Australian Securities and Investment Commission. The Group's full financial statement will be prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial information in this document for the year ended 30 June 2021 has been prepared on the basis of accounting policies and methods of computation consistent with those applied in the 30 June 2020 financial statements contained within the 2020 Annual Report of the Group. As required and unless stated otherwise, comparative statutory financial information for the Group has been presented for the 2020 financial year. Comparative figures have been prepared on the same basis as the current year figures.

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current year. The new and revised Standards and amendments thereof and Interpretations do not have any material impact on the disclosures or on the amounts recognised in the Group's consolidated financial statements.

NOTE 2: EARNINGS PER SHARE

	2021	2020
	\$	\$
a. Reconciliation of earnings to profit or loss		
Profit/(loss)	(5,758,759)	(9,105,991)
Earnings used to calculate basic EPS	<u>5,758,759</u>	<u>(9,105,991)</u>
b. Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	<u>1,977,324,724</u>	<u>1,712,911,601</u>

The options on issue are not potentially dilutive shares.

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NOTE 3: SEGMENT REPORTING

The Group has identified its operating segments based on internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining allocation of resources. Activities of the Group are managed on Group structure basis and operating segments are therefore determined on the same basis. In this regard the following list of reportable segments has been identified.

- Eden Innovations LLC – US EdenCrete® sales and development and US Optiblend® sales, service and manufacturing.
- Eden Innovations (India) Pvt Ltd – Optiblend® sales, service and manufacturing in India.

	Eden Innovations LLC	Eden Innovations India Pvt Ltd	Eliminations	Consolidated Entity
	\$	\$	\$	\$
2021				
External sales	2,236,127	1,046,695	-	3,282,822
Internal sales	7,749	-	(7,749)	-
Total segment revenue	<u>2,243,876</u>	<u>1,046,695</u>	<u>(7,749)</u>	<u>3,282,822</u>
Segment Result	(3,312,621)	680,342	(139,678)	(2,771,957)
Unallocated expenses				<u>(2,238,992)</u>
Result from operating activities				<u>(5,010,949)</u>
Finance costs				<u>(747,810)</u>
Loss before income tax				<u>(5,758,759)</u>
Income tax benefit				-
Loss after income tax				<u><u>(5,758,759)</u></u>
Segment assets	13,922,062	950,139	-	14,872,201
Unallocated assets				<u>9,606,332</u>
Total assets				<u><u>24,478,533</u></u>
Segment liabilities	6,027,806	239,960	-	6,267,766
Unallocated liabilities				<u>70,035</u>
Total liabilities				<u><u>6,337,801</u></u>
Capital expenditure	453,577	2,186	-	455,763
Depreciation and amortisation	745,179	966	532,747	1,278,892
Impairment expense	-	-	-	-
2020				
External sales	2,271,499	155,606	-	2,427,105
Internal sales	2,072,757	-	(2,072,757)	-
Total segment revenue	<u>4,344,256</u>	<u>155,606</u>	<u>(2,072,757)</u>	<u>2,427,105</u>
Segment Result	(5,744,154)	(109,036)	(253,601)	(6,196,152)
Unallocated expenses				<u>(2,549,620)</u>
Result from operating activities				<u>(8,656,411)</u>
Finance costs				<u>(477,371)</u>
Loss before income tax				<u>(9,133,782)</u>
Income tax benefit				<u>27,791</u>
Loss after income tax				<u><u>(9,105,991)</u></u>
Segment assets	14,194,405	276,950	-	14,471,355
Unallocated assets				<u>8,336,094</u>
Total assets				<u><u>22,807,449</u></u>
Segment liabilities	6,619,177	526,972	-	7,146,149
Unallocated liabilities				<u>(71,212)</u>
Total liabilities				<u><u>7,074,937</u></u>
Capital expenditure	97,120	-	-	97,120
Depreciation and amortisation	818,040	-	472,108	1,290,148
Impairment expense	-	-	9,604	9,604