



# **TDM BERHAD**

**COMPANY NO 196501000477 (6265-P)  
(Incorporated in Malaysia)**

**INTERIM FINANCIAL STATEMENTS  
31 DECEMBER 2020**



**TDM BERHAD**

Company No 196501000477 (6265-P)  
Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2020**

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current	Preceding	Current	Preceding
	Quarter	Quarter	Year	Year
	Ended	Ended	To date	To date
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
	RM'000	RM'000	RM'000	RM'000
		Restated		Restated
<b>Continuing operations</b>				
Revenue	129,695	114,160	442,877	425,070
Cost of sales	(91,901)	(115,511)	(338,536)	(347,007)
<b>Gross profit/(loss)</b>	<b>37,794</b>	<b>(1,351)</b>	<b>104,341</b>	<b>78,063</b>
<b>Other items of income</b>				
Interest income	2,061	1,743	2,839	2,247
Other income	2,340	-	31,639	12,012
<b>Other items of expense</b>				
Distribution costs	(1,449)	(1,393)	(6,105)	(5,910)
Administrative expenses	(24,782)	(27,660)	(94,313)	(95,061)
Other expenses	(5,096)	(1,534)	(6,986)	(8,196)
Finance costs	(7,615)	(9,943)	(22,353)	(23,540)
<b>Profit/(loss) before tax</b>	<b>3,253</b>	<b>(40,138)</b>	<b>9,062</b>	<b>(40,385)</b>
Income tax (expense)/benefit	(3,802)	9,344	(8,796)	4,548
<b>(Loss)/profit for the period from continuing operations, net of tax</b>	<b>(549)</b>	<b>(30,794)</b>	<b>266</b>	<b>(35,837)</b>
<b>Discontinued operation</b>				
Loss from discontinued operation, net of tax	(8,262)	(124,799)	(12,515)	(174,084)
<b>Loss for the period, net of tax</b>	<b>(8,811)</b>	<b>(155,593)</b>	<b>(12,249)</b>	<b>(209,921)</b>
<b>Other comprehensive income/(loss):</b>				
Foreign currency translation	10,645	(2,428)	(7,988)	9,230
Fair value movement of investment securities	4	(94)	(10)	1
Fair value movement of other investments	4,399	7,781	4,399	11,414
Net loss on remeasurement of defined benefits obligations	(205)	(32)	(205)	(32)
<b>Other comprehensive income/(loss) for the period, net of tax</b>	<b>14,843</b>	<b>5,227</b>	<b>(3,804)</b>	<b>20,613</b>
<b>Total comprehensive income/(loss) for the period</b>	<b>6,032</b>	<b>(150,366)</b>	<b>(16,053)</b>	<b>(189,308)</b>



**TDM BERHAD**

Company No 196501000477 (6265-P)

Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2020**

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 31-Dec-20 RM'000	Preceding Quarter Ended 31-Dec-19 RM'000	Current Year To date 31-Dec-20 RM'000	Preceding Year To date 31-Dec-19 RM'000
<b>Loss attributable to:</b>				
Owners of the parent	(8,563)	(148,314)	(10,714)	(199,856)
Non-controlling interests	(248)	(7,279)	(1,535)	(10,065)
	<b><u>(8,811)</u></b>	<b><u>(155,593)</u></b>	<b><u>(12,249)</u></b>	<b><u>(209,921)</u></b>
<b>Total comprehensive income/(loss) attributable to:</b>				
Owners of the parent	6,477	(143,666)	(13,152)	(179,822)
Non-controlling interests	(445)	(6,700)	(2,901)	(9,486)
	<b><u>6,032</u></b>	<b><u>(150,366)</u></b>	<b><u>(16,053)</u></b>	<b><u>(189,308)</u></b>
<b>Earnings/(loss) per share attributable to owners of the parent (sen per share):</b>				
Basic (Note 27)	(0.50)	(8.81)	(0.63)	(11.88)
- continuing operations	(0.04)	0.61	0.03	(2.13)
- discontinued operations	(0.46)	(9.42)	(0.66)	(9.74)

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements)



**TDM BERHAD**

Company No 196501000477 (6265-P)  
Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2020**

(The figures have not been audited)

	<b>As at 31-Dec-20 RM'000</b>	<b>As at 31-Dec-19 RM'000</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant & equipment	817,592	796,531
Right-of-use assets	486,414	446,238
Intangible asset	4,605	5,463
Goodwill	991	991
Other investments	38,106	33,708
Investment securities	35	45
Other receivables	186	186
Deferred tax assets	5,323	64
	<b><u>1,353,252</u></b>	<b><u>1,283,226</u></b>
<b>Current assets</b>		
Biological assets	4,154	4,645
Inventories	21,787	21,198
Trade and other receivables	74,913	58,823
Prepayments	12,739	1,676
Tax recoverable	13,738	14,964
Cash and bank balances	232,899	90,302
Assets of disposal group classified as held for sale	184,677	190,380
	<b><u>544,907</u></b>	<b><u>381,988</u></b>
<b>Total assets</b>	<b><u>1,898,159</u></b>	<b><u>1,665,214</u></b>
<b>Current liabilities</b>		
Lease liability	646	1,414
Loans and borrowings	72,344	80,632
Trade and other payables	277,262	179,011
Contract liability	634	16,485
Retirement benefit obligations	436	-
Tax payable	173	818
Liabilities of disposal group classified as held for sale	8,068	4,706
	<b><u>359,563</u></b>	<b><u>283,066</u></b>
<b>Net current assets</b>	<b><u>185,344</u></b>	<b><u>98,922</u></b>



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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2020**

(The figures have not been audited)

	<b>As at 31-Dec-20 RM'000</b>	<b>As at 31-Dec-19 RM'000</b>
<b>Non-current liabilities</b>		
Retirement benefit obligations	5,495	5,327
Lease liability	60,995	61,328
Loans and borrowings	426,629	385,169
Other payables	107,881	-
Deferred tax liabilities	195,269	189,739
	<b>796,269</b>	<b>641,563</b>
<b>Total liabilities</b>	<b>1,155,832</b>	<b>924,629</b>
<b>Net assets</b>	<b>742,327</b>	<b>740,585</b>
<b>Equity attributable to owners of the parent</b>		
Share capital	359,445	350,713
Retained earnings	402,760	418,474
Other reserves	(3,217)	87
	<b>758,988</b>	<b>769,274</b>
<b>Non-controlling interests</b>	<b>(16,661)</b>	<b>(28,689)</b>
<b>Total equity</b>	<b>742,327</b>	<b>740,585</b>
<b>Total equity and liabilities</b>	<b>1,898,159</b>	<b>1,665,214</b>
 Net assets per share (RM)	 0.43	 0.44

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements)



TDM BERHAD

Company No 196501000477 (6265-P)

Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

(The figures have not been audited)

	Attributable to owners of the parent										
	Equity attributable to owners of the parent	Non-distributable			Distributable			Non-distributable			Non-controlling interests RM'000
		Total equity RM'000	Share capital RM'000	Retained earnings RM'000	Total other reserves RM'000	Foreign currency reserve RM'000	Fair value adjustment reserve RM'000	Employee benefits plan reserve RM'000	Transaction with non-controlling interest RM'000		
<b>Opening balance at 1 January 2020</b>	740,585	769,274	350,713	418,474	87	(28,807)	28,957	(32)	(31)	(28,689)	
Loss for the period	(13,615)	(10,714)	-	(10,714)	-	-	-	-	-	(2,901)	
<b>Other comprehensive loss</b>											
Fair value movement of investment in securities	(10)	(10)	-	-	(10)	-	(10)	-	-	-	
Fair value movement of other investment	4,399	4,399	-	-	4,399	-	4,399	-	-	-	
Foreign currency translation	(7,988)	(7,488)	-	-	(7,488)	(7,488)	-	-	-	(500)	
Gain on acquisition of subsidiary	15,429	-	-	-	-	-	-	-	-	15,429	
Net loss on remeasurement of defined benefits obligations	(205)	(205)	-	-	(205)	-	-	(205)	-	-	
Other comprehensive loss for the period, net of tax	11,625	(3,304)	-	-	(3,304)	(7,488)	4,389	(205)	-	14,929	
Total comprehensive loss for the period, net of tax	(1,990)	(14,018)	-	(10,714)	(3,304)	(7,488)	4,389	(205)	-	12,028	
<b>Transactions with owners</b>											
Dividends on ordinary shares	(5,000)	(5,000)	-	(5,000)	-	-	-	-	-	-	
Issuance of shares pursuant to cash	8,732	8,732	8,732	-	-	-	-	-	-	-	
Total transactions with owners	3,732	3,732	8,732	(5,000)	-	-	-	-	-	-	
<b>Closing balance at 31 December 2020</b>	742,327	758,988	359,445	402,760	(3,217)	(36,295)	33,346	(237)	(31)	(16,661)	
<b>Opening balance at 1 January 2019</b>	929,893	949,096	350,713	618,330	(19,947)	(37,458)	17,542	-	(31)	(19,203)	
Loss for the period	(209,342)	(199,856)	-	(199,856)	-	-	-	-	-	(9,486)	
<b>Other comprehensive income</b>											
Fair value movement of investment in securities	1	1	-	-	1	-	1	-	-	-	
Fair value movement of other investment	11,414	11,414	-	-	11,414	-	11,414	-	-	-	
Foreign currency translation	8,651	8,651	-	-	8,651	8,651	-	-	-	579	
Net loss on remeasurement of defined benefits obligations	(32)	(32)	-	-	(32)	-	-	(32)	-	-	
Other comprehensive income for the period, net of tax	20,034	20,034	-	-	20,034	8,651	11,415	(32)	-	-	
Total comprehensive loss for the period, net of tax	(189,308)	(179,822)	-	(199,856)	20,034	8,651	11,415	(32)	-	(9,486)	
<b>Closing balance at 31 December 2019</b>	740,585	769,274	350,713	418,474	87	(28,807)	28,957	(32)	(31)	(28,689)	

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements)



**TDM BERHAD**

Company No 196501000477 (6265-P)  
Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

(The figures have not been audited)

	<b>Year Ended</b>	
	<b>31-Dec-20</b>	<b>31-Dec-19</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit/(loss) before tax from continuing operations	9,062	(40,385)
Loss before tax from discontinued operations	(12,515)	(174,078)
	<u>(3,453)</u>	<u>(214,463)</u>
<u>Adjustments for:</u>		
Interest expense	22,353	23,540
Depreciation of property, plant and equipment		
- Continuing	76,109	68,673
- Discontinuing	-	15,026
Amortisation of intangible asset	858	858
Amortisation of investment property	-	202
Amortisation of right-of-use assets		
- Continuing	2,287	9,427
- Discontinuing	-	1,797
Impairment of right-of-use assets		
- Discontinuing	-	21,242
Impairment of property, plant and equipment		
- Discontinuing	3,791	87,203
Property, plant and equipment written off		
- Continuing	4,375	5,999
- Discontinuing	6	33,881
Inventories written off		
- Continuing	46	21
- Discontinuing	-	4,771
Expected credit losses of trade receivables	636	293
Expected credit losses of other receivables		
- Discontinuing	-	11,942
Gain on disposal of property, plant and equipment	(162)	(78)
Gain on disposal of investment property	-	(1,734)
Dividend income	(1,935)	(1,225)
Reversal of expected credit losses of trade receivables	(1,378)	(2,679)
Profit from Al-Mudharabah	(2,839)	(1,204)
Interest income		
- Continuing	-	(1,043)
- Discontinuing	(3)	(8,204)
Provision for retirement benefit obligations	855	788
Revenue arising from contract liability	(35,425)	(4,015)



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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

(The figures have not been audited)

	<b>Year Ended</b>	
	<b>31-Dec-20</b>	<b>31-Dec-19</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities (cont'd)</b>		
Fair value changes of biological assets		
- Continuing	(1,696)	(686)
- Discontinuing	(9)	(258)
Gain on acquisition	(18,543)	-
Total adjustments	<u>49,326</u>	<u>264,537</u>
Operating cash flows before changes in working capital	<u>45,873</u>	<u>50,074</u>
<u>Changes in working capital</u>		
(Increase)/decrease in inventories	(635)	4,891
Increase in receivables	(27,153)	(8,672)
(Decrease)/increase in payables	(3,301)	15,558
Total changes in working capital	<u>(31,089)</u>	<u>11,777</u>
Cash flows from operations	14,784	61,851
Interest paid	(22,353)	(24,232)
Interest received	2,842	10,451
Taxes paid	(9,039)	(12,818)
Tax refunded	-	4,224
Retirement benefits paid	(34)	(64)
Net cash flows (used in)/from operating activities	<u>(13,800)</u>	<u>39,412</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(55,048)	(34,326)
Acquisition of right-of-use assets	(1,038)	(378)
Net cash outflow on acquisition of a subsidiary	(8,460)	-
Dividend received	1,935	1,225
Proceeds from disposal of property, plant and equipment	47	80
Proceeds from disposal of investment property	-	12,000
(Additions)/withdrawal of deposit with licensed banks	(20,526)	1,411
Increase in deposits with licensed banks pledged for bank guarantee facility and Finance Service Reserve Account	(937)	(999)
Net cash flows used in investing activities	<u>(84,027)</u>	<u>(20,987)</u>





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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

(The figures have not been audited)

	<b>Year Ended</b>	
	<b>31-Dec-20</b>	<b>31-Dec-19</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from financing activities</b>		
Drawdowns of term loans	87,605	56,600
Drawdowns of hire purchase facilities	-	1,023
Repayments of term loans	(47,806)	(74,759)
Repayments of hire purchase facilities	(3,004)	(2,401)
Repayment of finance lease	(2,452)	(6,353)
(Repayment)/drawdown of bank overdraft	(7,004)	2,547
Proceeds from contract liability	203,735	20,500
Proceeds from issuance of shares	8,563	-
Net cash flows from/(used in) financing activities	<u>239,637</u>	<u>(2,843)</u>
<b>Net increase in cash and cash equivalents</b>	141,810	15,582
<b>Cash and cash equivalents at 1 January</b>	54,577	38,978
Effect of foreign exchange rate changes	(8)	17
<b>Cash and cash equivalents at end of the year</b>	<u>196,379</u>	<u>54,577</u>

Cash and cash equivalents at end of the year comprise of the following:

Cash and banks balances		
- Continuing operations	232,899	90,302
- Discontinuing operations	958	290
Less: Deposits pledged for bank facilities	(36,185)	(35,236)
Less: Deposits with licensed banks with maturity period more than 3 months	<u>(1,293)</u>	<u>(779)</u>
Cash and cash equivalents	<u>196,379</u>	<u>54,577</u>

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements)



**TDM BERHAD**

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**Explanatory Notes Pursuant to MFRS 134**

**Notes:**

**1. Accounting policies and basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2019. These explanatory notes attached to the 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 31 December 2019.

The interim financial statements of the Group for the financial year ended 31 December 2020 was prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") Framework.

The accounting policies applied in this interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2019.

**1.1 Changes in accounting policies**

On 1 January 2020, the Group adopted the following new and amended MFRSs and IC Interpretation mandatory for annual periods beginning on or after 1 January 2020.

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 3 Business Combinations (Definition of a Business)	1 January 2020
Amendments to MFRS 101 Presentation of Financial Statements (Definition of Material)	1 January 2020
Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors (Definition of Material)	1 January 2020
Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement and MFRS 7 Financial Instruments: Disclosures (Interest Rate Benchmark Reform)	1 January 2020
The Conceptual Framework for Financial Reporting (Revised 2018)	1 January 2020

## 1. Accounting policies and basis of preparation (cont'd.)

### 1.2 Standards issued but not yet effective

At the date of authorisation of these interim financial statements, the following MFRSs were issued but not yet effective and have not been applied by the Group:

Description	Effective for annual periods beginning on or after
Amendments to MFRS 16 Leases (Covid-19 Related Rent Concessions)	1 June 2020
Amendments to MFRS 4 Insurance Contracts: Extension of the Temporary Exemption from Applying MFRS 9	17 August 2020
Interest Rate Benchmark Reform - Phase 2 (Amendments to MFRS 9: Financial Instruments, MFRS 139: Financial Instruments: Recognition and Measurement, MFRS 7: Financial Instruments : Disclosures, MFRS 4: Insurance Contracts and MFRS 16: Leases)	1 January 2021
Amendments to MFRS 3 Business Combinations: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116 Property, Plant and Equipment (Property, Plant and Equipment - Proceeds before Intended Use)	1 January 2022
Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets (Onerous Contracts - Cost of Fulfilling a Contract)	1 January 2022
Annual Improvements to MFRS Standards 2018-2020	1 January 2022
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements (Classification of Liabilities as Current or Non-current)	1 January 2023
Amendments to MFRS 17 Insurance Contracts - Amendments to Basis for Conclusions on MFRS 17	1 January 2023
Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associates or Joint Venture	Deferred

## 2. Declaration of audit qualification

The preceding annual financial statements for the year ended 31 December 2019 were reported without any qualification.

## 3. Seasonal or cyclical factors

The operations of the Group are not affected by any cyclical factors, other than the cyclical production of fresh fruit bunches (FFB).

## 4. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence during the quarter ended 31 December 2020.

## 5. Nature and amount of changes in estimates of amounts reported in prior interim periods of the current financial year, which give a material effect in the current interim period

There were no changes in estimates of amounts, which give a material effect in the current interim period.

## 6. Details of issue, cancellation, repurchase, resale and repayment of debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter.

## 7. Dividends paid

There were no dividend paid by the Group during the quarter under review.

## 8. Segmental reporting

The segments are reported in a manner that is more consistent with internal reporting whereby the Group's business is presented in term of business division and geographical perspective. The operating performance is based on a measure of adjusted earning before interest, tax, depreciation and amortisation (EBITDA). The measurement basis excludes the effects of non-operational items from the reporting segments such as fair value gains and losses, foreign exchange gains and losses, impairment losses and gains or losses on disposal of assets.

### 3 months ended 31 December 2020

	Plantation Malaysia RM'000	Healthcare RM'000	Investment holding company and others RM'000	Continuing operations RM'000	Discontinued operations RM'000
Total revenue	73,139	57,024	-	130,163	1,872
Intersegment revenue	(373)	(95)	-	(468)	-
<b>External revenue</b>	<b>72,766</b>	<b>56,929</b>	<b>-</b>	<b>129,695</b>	<b>1,872</b>
<b>Adjusted EBITDA</b>	<b>20,247</b>	<b>3,571</b>	<b>10,580</b>	<b>34,398</b>	<b>(12,057)</b>
Loss on disposal of property, plant and equipment	(88)	(58)	-	(146)	-
Gain on acquisition	-	-	(3,288)	(3,288)	-
Fair value changes in biological assets	1,279	-	-	1,279	9
Reversal of expected credit losses of receivables	-	789	-	789	-
Impairment of property, plant and equipment	-	-	-	-	3,791
Property, plant & equipment written off	(1,920)	(1,088)	-	(3,008)	(6)
Inventories written off	-	(18)	-	(18)	-
<b>EBITDA</b>	<b>19,518</b>	<b>3,196</b>	<b>7,292</b>	<b>30,006</b>	<b>(8,263)</b>
Depreciation & amortisation	(15,308)	(4,452)	(1,439)	(21,199)	-
Profit from Al-Mudharabah	689	77	1,295	2,061	-
Interest income	-	-	-	-	1
Finance costs	(3,938)	(2,182)	(1,495)	(7,615)	-
<b>Profit/(loss) before tax</b>	<b>961</b>	<b>(3,361)</b>	<b>5,653</b>	<b>3,253</b>	<b>(8,262)</b>

### 3 months ended 31 December 2019

	Plantation Malaysia RM'000	Healthcare RM'000	Investment holding company and others RM'000	Continuing operations RM'000	Discontinued operations RM'000
Total revenue	51,261	65,010	-	116,271	713
Intersegment revenue	(1,409)	(702)	-	(2,111)	-
<b>External revenue</b>	<b>49,852</b>	<b>64,308</b>	<b>-</b>	<b>114,160</b>	<b>713</b>
<b>Adjusted EBITDA</b>	<b>14,349</b>	<b>5,774</b>	<b>(7,679)</b>	<b>12,444</b>	<b>2,973</b>
Gain/(loss) on disposal of investment property	-	78	(3,469)	(3,391)	-
Fair value changes in biological assets	(578)	-	-	(578)	-
Reversal of expected credit losses of receivables	-	1,363	-	1,363	-
Impairment of right-of-use assets	-	-	-	-	(21,242)
Impairment of property, plant and equipment	-	-	-	-	(87,203)
Property, plant & equipment written off	(5,999)	-	-	(5,999)	(134)
Inventories write back	-	32	-	32	-
<b>EBITDA</b>	<b>7,772</b>	<b>7,247</b>	<b>(11,148)</b>	<b>3,871</b>	<b>(105,606)</b>
Depreciation & amortisation	(30,110)	(3,915)	(1,784)	(35,809)	(9,409)
Profit from Al-Mudharabah	45	698	1,000	1,743	-
Interest income	-	-	-	-	1,906
Finance costs	(4,157)	(187)	(5,599)	(9,943)	-
<b>(Loss)/profit before tax</b>	<b>(26,450)</b>	<b>3,843</b>	<b>(17,531)</b>	<b>(40,138)</b>	<b>(113,109)</b>

## 8. Segmental reporting (cont'd.)

### 12 months ended 31 December 2020

	Plantation Malaysia RM'000	Healthcare RM'000	Investment holding company and others RM'000	Continuing operations RM'000	Discontinued operations RM'000
Total revenue	240,888	203,532	-	444,420	2,998
Intersegment revenue	(578)	(965)	-	(1,543)	-
<b>External Revenue</b>	<b>240,310</b>	<b>202,567</b>	<b>-</b>	<b>442,877</b>	<b>2,998</b>
<b>Adjusted EBITDA</b>	<b>89,039</b>	<b>14,985</b>	<b>(11,214)</b>	<b>92,810</b>	<b>(16,312)</b>
Loss on disposal of property, plant and equipment	(88)	(74)	-	(162)	-
Gain on acquisition	-	-	18,543	18,543	-
Fair value changes of biological assets	1,696	-	-	1,696	9
Expected credit losses of receivables	-	(636)	-	(636)	-
Impairment of property, plant and equipment	-	-	-	-	3,791
Property, plant & equipment written off	(3,287)	(1,088)	-	(4,375)	(6)
Inventories written off	-	(46)	-	(46)	-
<b>EBITDA</b>	<b>87,360</b>	<b>13,141</b>	<b>7,329</b>	<b>107,830</b>	<b>(12,518)</b>
Depreciation & amortisation	(57,349)	(16,029)	(5,876)	(79,254)	-
Profit from Al-Mudharabah	1,341	198	1,300	2,839	-
Interest income	-	-	-	-	3
Finance costs	(8,072)	(4,369)	(9,912)	(22,353)	-
<b>Profit/(loss) before tax</b>	<b>23,280</b>	<b>(7,059)</b>	<b>(7,159)</b>	<b>9,062</b>	<b>(12,515)</b>
<b>31 December 2020</b>					
Assets	<b>975,998</b>	<b>257,341</b>	<b>480,143</b>	<b>1,713,482</b>	<b>184,677</b>
Liabilities	<b>790,330</b>	<b>141,279</b>	<b>216,142</b>	<b>1,147,751</b>	<b>8,068</b>
Exchange rate ratio	MYR 1.00	IDR 3,492			

### 12 months ended 31 December 2019

	Plantation Malaysia RM'000	Healthcare RM'000	Investment holding company and others RM'000	Continuing operations RM'000	Discontinued operations RM'000
Total revenue	190,177	237,696	-	427,873	931
Intersegment revenue	(1,737)	(1,066)	-	(2,803)	-
<b>External Revenue</b>	<b>188,440</b>	<b>236,630</b>	<b>-</b>	<b>425,070</b>	<b>931</b>
<b>Adjusted EBITDA</b>	<b>44,720</b>	<b>32,441</b>	<b>(13,278)</b>	<b>63,883</b>	<b>(6,678)</b>
Gain on disposal of investment property	-	78	1,734	1,812	-
Fair value changes of biological assets	686	-	-	686	258
Expected credit losses of receivables	-	(293)	-	(293)	(11,942)
Impairment of right-of-use assets	-	-	-	-	(21,242)
Impairment of property, plant and equipment	-	-	-	-	(87,203)
Property, plant & equipment written off	(5,999)	-	-	(5,999)	(33,881)
Inventories written off	-	(21)	-	(21)	(4,771)
<b>EBITDA</b>	<b>39,407</b>	<b>32,205</b>	<b>(11,544)</b>	<b>60,068</b>	<b>(165,459)</b>
Depreciation & amortisation	(57,814)	(15,366)	(5,980)	(79,160)	(16,823)
Profit from Al-Mudharabah	131	1,043	1,073	2,247	-
Interest income	-	-	-	-	8,204
Finance costs	(6,182)	(3,722)	(13,636)	(23,540)	-
<b>(Loss)/profit before tax</b>	<b>(24,458)</b>	<b>14,160</b>	<b>(30,087)</b>	<b>(40,385)</b>	<b>(174,078)</b>
<b>31 December 2019</b>					
Assets	<b>741,767</b>	<b>282,580</b>	<b>450,487</b>	<b>1,474,834</b>	<b>190,380</b>
Liabilities	<b>521,909</b>	<b>149,227</b>	<b>248,787</b>	<b>919,923</b>	<b>4,706</b>
Exchange rate ratio	MYR 1.00	IDR 3,397			

#### **9. Valuation on non-current assets**

The Group upon the adoption of MFRS has elected to use cost model from previous revaluation model. This change in accounting policy has resulted in revaluation amount on the transition date be recorded as deemed cost.

#### **10. Material subsequent event**

There were no material subsequent event of the Group for the financial period under review.

#### **11. Changes in the composition of the Group**

There is no changes in the composition of the Group during the quarter under review.

#### **12. Changes in contingent liabilities or contingent assets**

There were no changes in contingent liabilities from the previous audited financial statements to the date of this quarterly report.

#### **13. Capital commitments**

Capital commitments as at 31 December 2020 are as follows:

	<b>RM '000</b>
Authorised by the Directors and contracted	4,444
Authorised by the Directors but not contracted	265,625
	<u>270,069</u>

**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENT**

**14. Review of the performance of the Group, setting out material factors affecting the earnings and/or revenue of the Group for the current quarter and financial year to date**

**Individual quarter - Q4 2020 versus Q4 2019**

	<b>Q4 2020</b>	<b>Q4 2019</b>	<b>Changes</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
<b>REVENUE</b>				
Plantation	72,766	49,852	22,914	46%
Healthcare	56,929	64,308	(7,379)	-11%
<b>Total revenue</b>	<b>129,695</b>	<b>114,160</b>	<b>15,535</b>	<b>14%</b>
<b>PROFIT/(LOSS) BEFORE TAX</b>				
Plantation	20,247	14,349	5,898	41%
Healthcare	3,571	5,774	(2,203)	-38%
Investment holding company and others	10,580	(7,679)	18,259	238%
<b>Adjusted EBITDA</b>	<b>34,398</b>	<b>12,444</b>	<b>21,954</b>	<b>176%</b>
Loss on disposal of property, plant and equipment	(146)	(3,391)	3,245	96%
Gain on acquisition	(3,288)	-	(3,288)	-100%
Fair value changes of biological assets	1,279	(578)	1,857	321%
Reversal of expected credit losses of receivables	789	1,363	(574)	-42%
Property, plant & equipment written off	(3,008)	(5,999)	2,991	50%
Inventories written off	(18)	32	(50)	-156%
<b>EBITDA</b>	<b>30,006</b>	<b>3,871</b>	<b>26,135</b>	<b>675%</b>
Depreciation & amortisation	(21,199)	(35,809)	14,610	41%
Profit from Al-Mudharabah	2,061	1,743	318	18%
Finance costs	(7,615)	(9,943)	2,328	23%
<b>Profit/(loss) before tax</b>	<b>3,253</b>	<b>(40,138)</b>	<b>43,391</b>	<b>108%</b>

The Group recorded higher revenue by 14% for the three months ended 31 December 2020, compared to the previous corresponding quarter mainly due to higher revenue from the Plantation Division by 46%, and this is partly offset with lower revenue from the Healthcare Division by 11%.

The Group recorded EBITDA of RM30.0 million during the quarter, compared to EBITDA of RM3.9 million in the previous corresponding quarter.

**PLANTATION DIVISION**

The Plantation Division recorded higher revenue by 46% mainly due to higher CPO and PK average prices by 40% and 36% respectively.

During the quarter, our Plantation Division registered an EBITDA of RM19.5 million, compared to RM7.8 million in the previous corresponding quarter.

**14. Review of the performance of the Group, setting out material factors affecting the earnings and/or revenue of the Group for the current quarter and financial year to date (cont'd.)**

**Individual quarter - Q4 2020 versus Q4 2019 (cont'd.)**

Below are the key operating statistics for Plantation division:

<b>Plantation Statistics</b>	<b>Q4 2020</b>	<b>Q4 2019</b>	<b>Changes</b>	<b>%</b>
CPO sales volume (mt)	22,042	22,022	20	0.1%
PK sales volume (mt)	4,799	4,799	-	0%
FFB production (mt)	103,409	104,441	(1,032)	-1%
CPO average price (RM)	3,339	2,385	954	40%
PK average price (RM)	2,056	1,517	539	36%
Mature area (hectare)	25,534	26,341	(807)	-3%
Immature area (hectare)	7,986	4,954	3,032	61%
Oil extraction rate (OER)	19.07%	18.81%	0.26%	1%
Kernel extraction rate (KER)	4.18%	4.63%	-0.45%	-10%

**HEALTHCARE DIVISION**

Our Healthcare Division registered lower revenue by 11% during the quarter, compared to the previous corresponding quarter due to lower number of inpatient and outpatient by 36% and 9% respectively. The development of COVID-19 pandemic and the implementation of Conditional Movement Control Order (CMCO) that took effect since 13 May 2020, and subsequently implementation of and Recovery Movement Control Order (RMCO) since 10 June 2020, saw the postponement of non-critical and non-essential treatments by patients. However, our hospitals have responded with business recovery plan, including providing drive-through and on-site COVID-19 tests for our customers. This has helped to partly mitigate the weak revenue during the quarter.

During the quarter, the division recorded lower EBITDA at RM3.2 million, compared to an EBITDA of RM7.2 million in the previous corresponding quarter.

Below are the key operating statistics for Healthcare division:

<b>Healthcare Statistics</b>	<b>Q4 2020</b>	<b>Q4 2019</b>	<b>Changes</b>	<b>%</b>
Number of inpatient	4,386	6,875	(2,489)	-36%
Number of outpatient	41,020	44,838	(3,818)	-9%
Inpatient days	13,803	23,191	(9,388)	-40%
Occupancy rate (%)	38%	76%	-38%	-50%
Average length of stay (day)	2.92	3.04	(0.12)	-4%
Number of bed	407	407	-	-
Average revenue per inpatient (RM)	9,233	7,278	1,955	27%



**14. Review of the performance of the Group, setting out material factors affecting the earnings and/or revenue of the Group for the current quarter and financial year to date (cont'd.)**

**Cumulative quarter - FY 2020 versus FY 2019**

	<b>FY 2020</b>	<b>FY 2019</b>	<b>Changes</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
<b>REVENUE</b>				
Plantation	240,310	188,440	51,870	28%
Healthcare	202,567	236,630	(34,063)	-14%
<b>Total revenue</b>	<b>442,877</b>	<b>425,070</b>	<b>17,807</b>	<b>4%</b>
<b>PROFIT/(LOSS) BEFORE TAX</b>				
Plantation	89,039	44,720	44,319	99%
Healthcare	14,985	32,441	(17,456)	-54%
Investment holding company and others	(11,214)	(13,278)	2,064	16%
<b>Adjusted EBITDA</b>	<b>92,810</b>	<b>63,883</b>	<b>28,927</b>	<b>45%</b>
Loss on disposal of property, plant and equipment	(162)	-	(162)	-100%
Gain on disposal of investment property	-	1,812	(1,812)	-100%
Gain on acquisition	18,543	-	18,543	100%
Fair value changes of biological assets	1,696	686	1,010	147%
Expected credit losses of receivables	(636)	(293)	(343)	-117%
Property, plant & equipment written off	(4,375)	(5,999)	1,624	27%
Inventories written off	(46)	(21)	(25)	-119%
<b>EBITDA</b>	<b>107,830</b>	<b>60,068</b>	<b>47,762</b>	<b>80%</b>
Depreciation & amortisation	(79,254)	(79,160)	(94)	-0.1%
Profit from Al-Mudharabah	2,839	2,247	592	26%
Finance costs	(22,353)	(23,540)	1,187	5%
<b>Profit/(loss) before tax</b>	<b>9,062</b>	<b>(40,385)</b>	<b>49,447</b>	<b>122%</b>

The Group recorded higher revenue by 4% for the year ended 31 December 2020, compared to the previous corresponding period mainly due to higher revenue from the Plantation Division by 28%, and this is partly offset with lower revenue from the Healthcare Division by 14%.

The Group registered EBITDA of RM107.8 million for the year ended 31 December 2020, compared to EBITDA of RM60.1 million in the previous corresponding quarter.

**PLANTATION DIVISION**

The Plantation Division recorded higher revenue by 28% mainly due to higher CPO and PK average prices by 33% and 29% respectively. However, this is partly offset with lower sales volume of CPO and PK by 3% and 6% respectively.

During the period, our Plantation Division registered an EBITDA of RM87.4 million, compared to RM39.4 million in the previous corresponding period.

We have completed the acquisition of TDM-YT Plantation Sdn Bhd (formerly known as THP-YT Plantation Sdn Bhd) and the acquisition is key to increase our planted area, as well as to improve our overall age profile of the Group.

**14. Review of the performance of the Group, setting out material factors affecting the earnings and/or revenue of the Group for the current quarter and financial year to date (cont'd.)**

**Cumulative quarter - FY 2020 versus FY 2019 (cont'd.)**

Below are the key operating statistics for Plantation division:

<b>Plantation Statistics</b>	<b>FY 2020</b>	<b>FY 2019</b>	<b>Changes</b>	<b>%</b>
CPO sales volume (mt)	82,660	85,016	(2,356)	-3%
PK sales volume (mt)	18,169	19,365	(1,196)	-6%
FFB production (mt)	393,581	398,475	(4,894)	-1%
CPO average price (RM)	2,822	2,129	693	33%
PK average price (RM)	1,697	1,318	379	29%
Mature area (hectare)	25,534	26,341	(807)	-3%
Immature area (hectare)	7,986	4,954	3,032	61%
Oil extraction rate (OER)	19.49%	19.68%	-0.19%	-1%
Kernel extraction rate (KER)	4.26%	4.61%	-0.35%	-8%

**HEALTHCARE DIVISION**

Our Healthcare Division registered lower revenue by 14% during the period, compared to the previous corresponding period due to lower number of inpatient and outpatient by 29% and 12% respectively.

During the period, the division recorded lower EBITDA at RM13.1 million, compared to an EBITDA of RM32.2 million in the previous corresponding period.

Below are the key operating statistics for Healthcare division:

<b>Healthcare Statistics</b>	<b>FY 2020</b>	<b>FY 2019</b>	<b>Changes</b>	<b>%</b>
Number of inpatient	18,033	25,376	(7,343)	-29%
Number of outpatient	150,043	169,680	(19,637)	-12%
Inpatient days	58,287	82,352	(24,065)	-29%
Occupancy rate (%)	41%	57%	-16%	-28%
Average length of stay (day)	2.91	2.97	(0.06)	-2%
Number of bed	407	407	-	-
Average revenue per inpatient (RM)	8,146	7,399	747	10%

**TDM BERHAD**

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**15. Explanatory comment on any material change in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter****Individual quarter - Q4 2020 versus Q3 2020**

	<b>Q4 2020</b>	<b>Q3 2020</b>	<b>Changes</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
<b>REVENUE</b>				
Plantation	72,766	71,481	1,285	2%
Healthcare	56,929	49,939	6,990	14%
<b>Total revenue</b>	<b>129,695</b>	<b>121,420</b>	<b>8,275</b>	<b>7%</b>
<b>PROFIT/(LOSS) BEFORE TAX</b>				
Plantation	20,247	37,752	(17,505)	-46%
Healthcare	3,571	8,087	(4,516)	-56%
Investment holding company and others	10,580	(11,948)	22,528	189%
<b>Adjusted EBITDA</b>	<b>34,398</b>	<b>33,891</b>	<b>507</b>	<b>1%</b>
Loss on disposal of property, plant and equipment	(146)	(16)	(130)	-813%
(Loss)/gain on acquisition	(3,288)	21,831	(25,119)	-115%
Fair value changes of biological assets	1,279	57	1,222	2144%
Reversal of ECL/(expected credit losses) of receivables	789	(484)	1,273	263%
Reversal of impairment of property, plant and equipment	-	161	(161)	-100%
Property, plant & equipment written off	(3,008)	-	(3,008)	-100%
Inventories written off	(18)	(28)	10	36%
<b>EBITDA</b>	<b>30,006</b>	<b>55,412</b>	<b>(25,406)</b>	<b>-46%</b>
Depreciation & amortisation	(21,199)	(21,404)	205	1%
Profit from Al-Mudharabah	2,061	380	1,681	442%
Finance costs	(7,615)	(6,672)	(943)	-14%
<b>Profit before tax</b>	<b>3,253</b>	<b>27,716</b>	<b>(24,463)</b>	<b>88%</b>

The Group's revenue for the three months ended 31 December 2020 was higher by 7% compared to the immediate preceding quarter mainly due to higher revenue at both Plantation and Healthcare Division by 2% and 14% respectively.

The Group recorded EBITDA of RM30.0 million during the quarter, compared to EBITDA of RM55.4 million in the immediate preceding quarter.

**PLANTATION DIVISION**

The Plantation Division recorded higher revenue by 2% mainly due to higher CPO and PK average prices by 20% and 31% respectively. However, this is partly offset with lower sales volume of CPO and PK by 11% and 10% respectively.

During the quarter, our Plantation Division registered an EBITDA of RM19.5 million, compared to RM38.0 million in the immediate preceding quarter.

**15. Explanatory comment on any material change in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter (cont'd.)**

**Individual quarter - Q4 2020 versus Q3 2020 (cont'd.)**

Below are the key operating statistics for Plantation division:

<b>Plantation Statistics</b>	<b>Q4 2020</b>	<b>Q3 2020</b>	<b>Changes</b>	<b>%</b>
CPO sales volume (mt)	22,042	24,835	(2,793)	-11%
PK sales volume (mt)	4,799	5,328	(529)	-10%
FFB production (mt)	103,409	111,517	(8,108)	-7%
CPO average price (RM)	3,339	2,775	564	20%
PK average price (RM)	2,056	1,569	487	31%
Mature area (hectare)	25,534	26,530	(996)	-4%
Immature area (hectare)	7,986	6,988	998	14%
Oil extraction rate (OER)	19.07%	19.77%	-0.70%	-4%
Kernel extraction rate (KER)	4.18%	4.23%	-0.05%	-1%

**HEALTHCARE DIVISION**

The Healthcare Division recorded a higher revenue by 14% mainly due to the increase in number of outpatient and inpatient days by 11% and 19% respectively, compared to the immediate preceding quarter which was mainly affected from the imposition of MCO from 18 March 2020 by the government of Malaysia.

During the quarter, the division recorded lower EBITDA at RM3.2 million, compared to an EBITDA of RM7.6 million in the preceding quarter.

Below are the key operating statistics for Healthcare division:

<b>Healthcare Statistics</b>	<b>Q4 2020</b>	<b>Q3 2020</b>	<b>Changes</b>	<b>%</b>
Number of inpatient	4,386	4,519	(133)	-3%
Number of outpatient	41,020	37,036	3,984	11%
Inpatient days	13,803	11,643	2,160	19%
Occupancy rate (%)	38%	38%	0%	0%
Average length of stay (day)	2.92	2.65	0.27	10%
Number of bed	407	407	-	-
Average revenue per inpatient (RM)	9,233	7,940	1,293	16%

**16. Commentary on the prospects, including the factors that are likely to influence the Group's prospects for the remaining period to the end of the financial year or the next financial year if the reporting period is the last quarter**

**Malaysia Plantation**

For the 4th quarter 2020, palm oil prices continued to rally from the low of RM2,841/mt in early October to the high of above RM3,835 per metric ton level in December. The MPOB Average Price in 4th quarter stood at RM3,305/mt against RM2,743/mt in 3rd quarter, an increase by 20% while palm kernel average prices was up by 28% in 4th quarter at RM1,906/mt from RM1,479/mt in the 3rd quarter.

For the year 2020, the MPOB average palm oil prices stood at RM2,686/mt, up by 29% compared to previous year of RM2,079/mt while Palm Kernel price averaging at RM1,532/mt, up by 26% against previous year of RM1,214/mt.

The Palm market price rally in 4th quarter was driven by lower palm oil production, continued good exports to India and China, lower palm oil end stocks and strong Soybean oil prices in the United States. The shortage of labor in plantation and floods during monsoon season also contributed to higher palm prices.

Our Malaysia palm oil end stocks in December stood at 1.26 million metric ton, lower by 10.39% compared to previous month that kept palm prices above RM3,000/mt level.

In general, the palm oil sector was less affected by the covid-19 pandemic. The CPO production forecast is around 19.8 million tons up by 3% from last year. The palm oil prices are expected to sustain its current level above RM3,500 in 1st quarter due to low production. The average palm oil prices is forecasted around RM2,800 to RM3,000/mt in 2021.

The 4th quarter FFB production was very much affected by the extreme monsoon season this year as against previously. The high intensity of rain and almost daily rainfalls has caused flash floods in many areas of the plantations especially in Kemaman and Setiu districts. The plantation is also operating with strict Covid-19 Standard Operating Procedures (SOP) as laid down by the management and Majlis Keselamatan Negara (MKN).

TDM Plantation will remain focused in improving FFB productivity, operational efficiencies and optimizing production cost. A Technical Transformation Team has been established to drive improvements of Oil Palm Yield, OER and KER, Product Quality and Production Cost. The company will also continue to focus on higher gains from sales with premium price of CSPO and CSPK by securing more contracts from our regular and reputable buyers in FY2021.

In FY2020, about 8.8% of planted areas were replanted to rejuvenate palms in the estates and improves the current skewed age profile. Focus was given on excellent replanting standard with full stand per hectare towards achieving early high yield. In these replants, land preparations and field designs were carried out with an aim of providing adequate accessibility for mechanization of both harvesting related works as well as field maintenance activities. TDM Plantation has aggressively embarked on mechanization in the estates to mitigate labor shortages.

The Agri-business section has started its first pineapple planting in July 2020, that will see its maiden harvest in 4th Quarter 2021.

## **TDM BERHAD**

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### **16. Commentary on the prospects, including the factors that are likely to influence the Group's prospects for the remaining period to the end of the financial year or the next financial year if the reporting period is the last quarter (cont'd.)**

#### **Indonesian Plantation**

The Company is committed to disposing of our subsidiaries in Indonesia and will continue to identify appropriate buyer(s) and follow up with necessary announcements when there is further development.

#### **Healthcare**

The Group still benefits from the Government's assistance under PENJANA PLUS Economic Stimulus Package in terms of subsidised wages. The Group continues to adopt cash conservation measures for better operational cashflow control and at the same time delays non-critical capital and operational expenditure. There are growing views that Malaysia will see an increase in health insurance premium to reduce financial deficit. Most other national health insurance schemes have also raised health insurance premiums amid Covid-19 pandemic. Government support for the provision of medical services reinforces the positive outlook for healthcare providers.

To address the challenge, KMI Healthcare has set up priorities and continue to reinvent product and service offerings to face economic and business trials impacted by the COVID-19 pandemic. We have formulated several strategies to tackle the challenges and capture new opportunities through business continuity plan and business recovery plan including offering of COVID -19 testing in many modes.

Malaysia is scheduled to receive three million vaccine doses by 1st quarter 2021 under the RM3 billion government vaccination programme for 27 million Malaysians. The programme is targeted to cover 75,000 people per day, with the combination of 600 sites including private healthcare facilities. The Group anticipates to benefit from the vaccination administration segment of the government programme. As the population gets vaccinated it is hope that life will be back to the normal mode and elevate people's confidence in seeking healthcare treatment. The Covid-19 vaccine will also drive to supercharge economic growth in 2021.

#### **Group**

The Group is optimistic of achieving satisfactory operating performance in the next financial year.

**16. Commentary on the prospects, including the factors that are likely to influence the Group's prospects for the remaining period to the end of the financial year or the next financial year if the reporting period is the last quarter (cont'd.)**

**COVID-19**

COVID-19 took the world by complete surprise. Approximately 213 countries have reported confirmed cases of the COVID-19 that originated from Wuhan, China, and the death toll has been increasing daily. The implementation of lockdown measures in Malaysia and globally was necessary but has impacted economic activities.

The economy registered a negative growth of 3.4% in the 4th quarter (3Q 2020 (2.6%)), largely attributable to the imposition of the Conditional Movement Control Order CMCO on a number of states since mid-October. For 2020 as a whole, the economy contracted by 5.6%. The restrictions on mobility, especially on inter-district and inter-state travel, weighed on economic activity during the fourth quarter. Nevertheless, the continued improvement in external demand provided support to growth. Consequently, except for manufacturing, all economic sectors continued to record negative growth. On the expenditure side, moderating private consumption and public investment activities weighed on domestic demand. On a quarter-on-quarter seasonally-adjusted basis, the economy registered a decline of 0.3% (3Q 2020 18.2%).

For the quarter, headline inflation declined to -1.5% in part reflect the larger decline in retail fuel prices as compared to the corresponding period last year. Core inflation moderated to 0.8% due mainly to lower inflation for communication services and rental.

**Strategy and steps taken to address the impact of the COVID-19**

We have assembled six action teams to focus on six initiatives, for our Business Recovery Plan and Business Continuity Plan to overcome this trying times.

**i) Revenue Team**

Several revenue initiatives were initiated mainly at our Healthcare business to address the challenges during MCO, such as the Drive Through COVID-19 Test, Drive Through Vaccination Test, Online Healthcare Consultation Initiative for existing customers as well as Over The Counter (OTC) medicines promotion and home delivery.

**ii) Cash Team**

Conserving cash is imperative during time of uncertainty, and our team has implemented various initiatives including applications of banking facilities moratorium and fund-raising exercises to support our requirements.

**iii) Cost Savings Team**

The team has implemented several cost optimisation initiatives which include review of certain operating expenditures and capital expenditures.

**iv) Customer Centric Team**

The customer team focuses on managing the needs of our customers during the MCO period. We have reached out to our customers through various channels, such as phone calls, social media, website, and as well as introduction of new services to suit with our customers' requirement such as the drive-through COVID-19 test and on-site COVID-19 test initiatives.

**16. Commentary on the prospects, including the factors that are likely to influence the Group's prospects for the remaining period to the end of the financial year or the next financial year if the reporting period is the last quarter (cont'd.)**

**COVID-19 (cont'd.)**

**Strategy and steps taken to address the impact of the COVID-19 (cont'd.)**

**v) People Centric Team**

The team is tasked to manage the employee's wellbeing during the crisis period. Our Business Recover Plan and Business Continuity Plan was initiated to ensure business sustainability and continuity, and hence safeguarding the wellbeing of our people.

**vi) Communication Team**

Proactive communication programme has been put in place to ensure regular update to our people and customers.

**17a. Explanatory note for any variance of actual profit after tax and minority interest and the forecast profit after tax and minority interest (where the variance exceeds 10%)**

Not applicable.

**17b. Explanatory note for any shortfall in the profit guarantee**

There was no profit guarantee issued for the quarter ended 31 December 2020.

**18. Profit/(loss) for the year**

	<b>Current year to date</b>	
	<b>31-Dec-20 RM'000</b>	<b>31-Dec-19 RM'000</b>
<b>The following amounts have been included in arriving at profit/(loss) before tax:</b>		
Interest expense	22,353	23,540
Depreciation of property, plant and equipment		
- Continuing	76,109	68,673
- Discontinuing	-	15,026
Amortisation of intangible asset	858	858
Amortisation of investment property	-	202
Amortisation of right-of-use assets		
- Continuing	2,287	9,427
- Discontinuing	-	1,797
Impairment of right-of-use assets		
- Discontinuing	-	21,242
Impairment of property, plant and equipment		
- Discontinuing	3,791	87,203
Property, plant and equipment written off		
- Continuing	4,375	5,999
- Discontinuing	6	33,881
Inventories written off		
- Continuing	46	21
- Discontinuing	-	4,771
Expected credit losses of trade receivables	636	293
Expected credit losses of other receivables		
- Discontinuing	-	11,942
Gain on disposal of property, plant and equipment	(162)	(78)
Gain on disposal of investment property	-	(1,734)
Dividend income	(1,935)	(1,225)
Reversal of expected credit losses of trade receivables	(1,378)	(2,679)
Profit from Al-Mudharabah	(2,839)	(1,204)
Interest income		
- Continuing	-	(1,043)
- Discontinuing	(3)	(8,204)
Provision for retirement benefit obligations	855	788
Revenue arising from contract liability	(35,425)	(4,015)
Fair value changes of biological assets		
- Continuing	(1,696)	(686)
- Discontinuing	(9)	(258)
Gain on acquisition	(18,543)	-



**TDM BERHAD**

Company No 196501000477 (6265-P)

Incorporated in Malaysia

**19. Breakdown of tax charge and explanation on variance between effective and statutory tax rate for the current quarter and preceding quarter to date**

	Current Quarter		Current year to date	
	31-Dec-20 RM'000	31-Dec-19 RM'000	31-Dec-20 RM'000	31-Dec-19 RM'000
Current income tax	8,365	(4,892)	8,950	4,931
Under/(over) provision of income tax in prior period/year	500	2,804	685	(29)
	<u>8,865</u>	<u>(2,088)</u>	<u>9,635</u>	<u>4,902</u>
Deferred tax:				
Relating to origination and reversal of temporary differences	(2,317)	(7,199)	(946)	(8,941)
(Over)/under provision of deferred tax	(2,746)	(57)	107	(509)
Income tax expense/(benefit)	<u>3,802</u>	<u>(9,344)</u>	<u>8,796</u>	<u>(4,548)</u>

Income tax was calculated at the Malaysian statutory tax rate of 24% (2019: 24%) of the estimated assessable profit for the period/year.

The effective tax rate of the Group for the current quarter and current year to date was higher than the statutory tax rate of the respective period principally due to certain expenses not deductible for tax purposes.

**20. Discontinued operation and disposal group classified as held for sale**

Assets and liabilities of PT RKA and PT SRA classified as held for sale on the Group's statement of financial position are as below:

	Group	
	As at 31-Dec-20 RM'000	As at 31-Dec-19 RM'000
<b>Assets:</b>		
Property, plant and equipment	114,677	99,601
Right-of-use assets	28,817	24,668
Trade receivables	134	109
Other receivables	39,826	65,391
Prepayment	-	26
Biological assets	255	272
Inventories	10	23
Cash and bank balances	958	290
Assets held for sale	<u>184,677</u>	<u>190,380</u>
<b>Liabilities:</b>		
Other payables	(7,156)	(4,287)
Retirement benefit obligations	(828)	(391)
Lease liabilities	(50)	-
Tax payable	(34)	(28)
Liabilities directly associated with assets held for sale	<u>(8,068)</u>	<u>(4,706)</u>
<b>Net assets directly associated with disposal group</b>	<u>176,609</u>	<u>185,674</u>

## 20. Discontinued operation and disposal group classified as held for sale (cont'd.)

The result of PT RKA and PT SRA for the year are presented below:

	Current year to date	
	31-Dec-20 RM'000	31-Dec-19 RM'000
Revenue	2,998	931
Cost of sales	(6,948)	(20,187)
<b>Gross loss</b>	<b>(3,950)</b>	<b>(19,256)</b>
Interest income	3	8,204
Other income	-	2,622
Administrative expenses	(4,172)	(18,551)
Other expenses	(4,396)	(147,097)
<b>Loss before tax</b>	<b>(12,515)</b>	<b>(174,078)</b>
Income tax expense	-	(6)
<b>Loss for the year from discontinued operations, net of tax</b>	<b>(12,515)</b>	<b>(174,084)</b>

## 21. Corporate proposal

There are no corporate proposals announced at the date of this report.

## 22. Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 days (2019: 30 to 90 days) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The Group's trade receivables that are impaired at the reporting date and the movements of the allowance accounts used to record the impairment are as follows:

	Group	
	As at 31-Dec-20 RM'000	As at 31-Dec-19 RM'000
Trade receivables - nominal amounts	24,841	26,622
Less: Allowance for expected credit losses	(5,775)	(8,515)
	<b>19,066</b>	<b>18,107</b>

Movement in allowance accounts:

	Group	
	As at 31-Dec-20 RM'000	As at 31-Dec-19 RM'000
At 1 January	8,515	10,901
Provision for expected credit losses	636	293
Reversal of expected credit losses	(1,378)	(2,679)
Written off	(1,998)	-
At 31 December	<b>5,775</b>	<b>8,515</b>

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

**23. Borrowings and debt securities as at the end of the reporting period**

Details of the Group's borrowings as at 31 December 2020 and 31 December 2019 are as follows:

**Group borrowings and debt securities.**

**As at 31 December 2020**

	<b>Long term RM'000</b>	<b>Short term RM'000</b>	<b>Total borrowings RM'000</b>
<b>Secured</b>			
Bank loans	407,633	32,094	439,727
Bank overdraft	9,842	-	9,842
Obligation under hire purchase	9,121	3,103	12,224
	<u>426,596</u>	<u>35,197</u>	<u>461,793</u>
<b>Unsecured</b>			
Bank loans	-	37,147	37,147
	<u>-</u>	<u>37,147</u>	<u>37,147</u>
	<u>426,596</u>	<u>72,344</u>	<u>498,940</u>

**As at 31 December 2019**

	<b>Long term RM'000</b>	<b>Short term RM'000</b>	<b>Total borrowings RM'000</b>
<b>Secured</b>			
Bank loans	363,718	45,299	409,017
Bank overdraft	16,846	-	16,846
Obligation under hire purchase	4,605	1,907	6,512
	<u>385,169</u>	<u>47,206</u>	<u>432,375</u>
<b>Unsecured</b>			
Bank loans	-	33,426	33,426
	<u>-</u>	<u>33,426</u>	<u>33,426</u>
	<u>385,169</u>	<u>80,632</u>	<u>465,801</u>

**24. Summary of off balance sheet financial instruments by type and maturity profile**

The Group did not enter into any contract involving off balance sheet financial instruments during the financial period ended 31 December 2020.

**25. Changes in material litigation (including status of any pending material litigation) since the last annual balance sheet date**

**1) Kuantan High Court [CA226CvC-31-06/2018]**

**Dato' Mohamad Alias A Bakar bin Ali vs**

- 1. Kuantan Medical Centre Sdn Bhd**
- 2. Dr. Abdul Aziz Bin Awang**
- 3. Dr. Md Lukman Bin Mohd Mokhtar**

The Plaintiff alleges that the 2nd Defendant and 3rd Defendant, as the agents of the 1st Defendant, have negligently failed to carry out anaesthetic procedures on him which caused 'circumferential disc bulge with desiccation at L 4/5 level with severe spinal stenosis'.

Due to the alleged negligence, the Plaintiff claims for the following:

- i. General damages and aggravated damages;
- ii. Interest thereon calculated at the rate of 8% per annum from the date of service of the Writ up to the date of judgement;
- iii. Special damages of RM1,104,414.51;
- iv. Interest thereon calculated at the rate of 4% per annum from 3 July 2012 up to the date of judgment;
- v. Interest on the judgment sum calculated at the applicable statutory rate from the date of judgment up to the date of payment;
- vi. Costs; and
- vii. Such further or other relief as the Court deems fit.

The Kuantan High Court has vacated the continue hearing date which was initially fixed on 20 April 2020 until 22 April 2020 due to the Movement Control Order ("MCO"). The Court has fixed for further Case Management on 16 June 2020 to enable parties to fix fresh continued Trial dates.

The Court has also fixed tentative continued trial dates as follows:-

- i. 22 January 2021,
- ii. 1 March 2021;
- iii. 5 March 2021;
- iv. 19 April 2021; and
- v. 20 April 2021

**25. Changes in material litigation (including status of any pending material litigation) since the last annual balance sheet date (cont'd.)**

**2) HIGH COURT OF MALAYA AT KUALA TERENGGANU [TA-23NCVC-2-08/2019]**

**Wahab bin Mohd Said vs**

- 1. Dr. Juzar Mohsinbhai Jadliwala**
- 2. Kuala Terengganu Specialist Hospital Sdn. Bhd.**

The Plaintiff alleges that the 1st Defendant, Dr. Juzar Mohsinbhai Jadliwala as an employee, representative and/or agent to 2nd Defendant has negligently failed to carry out a medical procedure on him.

Due to the alleged negligence, the Plaintiff claims for the following:

- i. General damages of RM700,000.00 or any amount as granted by the Court;
- ii. Special damages with interest;
- iii. Exemplary damages of RM300,000.00 or any amount as granted by the Court;
- iv. Aggravated damages of RM300,00.00 or any amount granted by the Court;
- v. Interest on the damages calculated at a rate of 5% per annum from the date of action up to the date of full settlement;
- vi. Costs; and
- vii. Such further or other relief as the Court deems fit.

During Case Management on 17 November 2019, the learned High Court judge has transferred the case to session court and fixed for further Case Management on 8 December 2019.

The Court has fixed this matter for further Case Management on 19 January 2020 to enable parties to obtain further directions from Court. The Court has also fixed the hospital's notice for directions from Court (with respect to the hospital's Notice Seeking Contribution/Indemnity against the 1st Defendant (i.e. Dr. Juzar)) the same day (i.e. 19 January 2020).

The Court has fixed for the trial dates as follows:

- i. 21 February 2021;
- ii. 24 February 2021;
- iii. 4 April 2021; and
- iv. 11 April 2021

**25. Changes in material litigation (including status of any pending material litigation) since the last annual balance sheet date (cont'd.)**

**3) HIGH COURT OF MALAYA AT KUALA TERENGGANU [TA-23NCvC-4-04/2020]**

**Mohd Fadzlong bin Yusoff vs**

- 1. Dr. Siti Nordiana binti Ayub**
- 2. Kuala Terengganu Specialist Hospital Sdn. Bhd.**

The Plaintiff alleges that the 1st Defendant, Dr. Siti Nordiana binti Ayub as an employee, representative and/or agent to 2nd Defendant has negligently failed to carry out a proper medical procedure on his wife Fadzlina binti Abdullah (the deceased).

Due to the alleged negligence, the Plaintiff claims for the following:

- i. General damages of RM1,000,000.00 or any amount as granted by the Court with interest;
- ii. Special damages with interest;
- iii. Exemplary damages of RM250,000.00 or any amount as granted by the Court;
- iv. Aggravated damages of RM250,000.00 or any amount as granted by the Court;
- v. Interest on the damages calculated at a rate of 5% per annum from the date of action up to the date of full settlement;
- vi. Legal costs;
- vii. Costs; and
- vii. Such further or other relief as the Court deems fit.

The court has granted Order in terms with regards to the 2nd Defendants Notice to the 1st Defendant and Third Party Claiming Contribution or Indemnity. Court fixed for another Case Management on 24th August 2020. Further, the court also fixed for Trial on 16 to 18 November 2020.

During the clarification of the case held on 21 February 2021, the Court had fixed for decision on 28 March 2021.

**25. Changes in material litigation (including status of any pending material litigation) since the last annual balance sheet date (cont'd.)**

**4) FIRE INCIDENTS AT PT RAFI KAMAJAYA ABADI ("PT RKA")**

The Company had on 22 October 2019, announced that PT RKA had on 21 October 2019 received and accepted the Governor Decision No 1279/2019 regarding Administrative Sanction (hereinafter referred to as "the Decree") by the Governor of Kalimantan Barat ("Governor") to PT RKA dated 4 October 2019. The sanction arose as a result of the fire incident, among others, imposed that PT RKA has to stop its activities at the affected areas of approximately 900 hectares for three (3) years. PT RKA has consulted its Solicitors to file an application to Administrative Court ("Pengadilan Tata Usaha Negara") in Indonesia for a review of the Decree.

Further on 27 July 2020, PTRKA informed that PTRKA suit was inadmissible and the court did not consider the content or the substance of the legal paper.

The judges concluded that PTRKA must submit the objection to Governor no later than 19 November 2019 (we have submitted letter of objection on 16 December 2019). The Management has decided not to appeal on the decision. The Management to strictly comply with the Governor sanction.

**5) HIGH COURT OF MALAYA AT KUANTAN [CA-22NCVC-46-11/2019]**

**Tunas Capital Sdn Bhd vs Kuantan Medical Centre Sdn Bhd**

Plaintiff claim against Defendant for the sum of RM1,298,415.43 being rental arrears from September 2018 to September 2019 for building known as No 1-9, Jalan Tun Ismail 9, Kuantan, Pahang ("the said premise"). The Plaintiff also claims for the sum of RM187,420.00 being cost of repair and/or rectify the defect the said premise.

The Board of TDM wishes to update that the Solicitors of KMC, Messrs. Mohd Najid & Partners had informed today on the following outcome the hearing held on 9-11 November 2020:-

KMC's witness and representatives were present today as well as the other four witnesses of the Plaintiff. The Plaintiff witness was called to the witness stand and he had examined in chief, but the matter had to be postponed to allow the Parties to discuss out of court settlement as the Plaintiff solicitor had informed the Court that their client is willing to go for settlement but yet to forward the Formal Document of Proposed Settlement Figure.

The Defendant had agreed to the request and reserved its rights to cross examine the witness when hearing resumes.

The court had fixed new Hearing date on:-

- i. 21 April 2021;
- ii. 17 May 2021; and
- iii. 18 May 2021

**25. Changes in material litigation (including status of any pending material litigation) since the last annual balance sheet date (cont'd.)**

**6) HIGH COURT OF MALAYA AT KUALA TERENGGANU [TA-23NCVC-2-06/2018]**

**Lim Puay Leng vs**

- 1. Dr. Azhar bin Zainuddin**
- 2. Kuala Terengganu Specialist Hospital Sdn Bhd**

The Plaintiff alleges that the 1st Defendant, as a Consultant Ophthalmologist, has negligently fail to carry out a medical procedure to remove cataract on his right eye which caused him suffer blurry vision, sensitive with lights and double vision.

Due to the alleged negligence, the Plaintiff claims for the following:

- i. General damages of RM1,000,000.00 or any amount as granted by the Court with interest;
- ii. Special damages with interest;
- iii. Exemplary damages of RM100,000.00 or any amount as granted by the Court with interest;
- iv. Aggravated damages of RM200,000.00 or any amount as granted by the Court with interest;
- v. Interest on the damages calculated at a rate of 4% per annum from the date of Writ up to the date of full settlement;
- vi. Costs; and
- vii. Such further or other relief as the Court deems fit.

The court has decided that 2nd Defendant is jointly responsible and awarded to the Plaintiff RM 223,895.66. We have instructed the Solicitor to file an appeal at Court of Appeal. Notice of Appeal was filed on 14 October 2019.

The COA had fixed the following dates:-

- i. Case Management on 8 September 2021;
- ii. Hearing on 24 September 2021

**26. Dividend proposed**

On 25 March 2021, TDM has announced an interim dividend declared of RM5,000,000, tax exempt under the single-tier system in respect of the financial year ended 31 December 2020.



## 27. Earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) for the period, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares in issue during the period.

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Quarter Ended	Current Quarter To date	Preceding Quarter To date
	31-Dec-20 RM'000	31-Dec-19 RM'000	31-Dec-20 RM'000	31-Dec-19 RM'000
Loss net of tax attributable to owners of the parent used in the computation of basic loss per share	(8,563)	(148,314)	(10,714)	(199,856)
Add back: Loss from discontinued operation, net of tax, attributable to owners of the parent	7,876	158,531	11,234	163,939
(Loss)/profit net of tax from continuing operations attributable to owners of the parent used in the computation of basic loss per share	<u>(687)</u>	<u>10,217</u>	<u>520</u>	<u>(35,917)</u>
	<b>31-Dec-20 number of ordinary shares '000</b>	<b>31-Dec-19 number of ordinary shares '000</b>	<b>31-Dec-20 number of ordinary shares '000</b>	<b>31-Dec-19 number of ordinary shares '000</b>
Weighted average number of ordinary shares in issue for basic earnings per share computation	1,722,881	1,682,641	1,702,761	1,682,641
(Loss)/earnings per share attributable to owners of the parent (sen per share):				
Basic (loss)/earnings per share (sen per share)	(0.50)	(8.81)	(0.63)	(11.88)
- continuing operations	(0.04)	0.61	0.03	(2.13)
- discontinued operation	<u>(0.46)</u>	<u>(9.42)</u>	<u>(0.66)</u>	<u>(9.74)</u>

28. The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 24 March 2021.

### BY ORDER OF THE BOARD

BADROL ABU BAKAR  
Company Secretary

Kuala Terengganu  
25 March 2021