



# **TDM BERHAD**

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

**INTERIM FINANCIAL STATEMENTS  
31 DECEMBER 2021**



**TDM BERHAD**

Company No 196501000477 (6265-P)  
Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2021**

(The figures have not been audited)

	<b>Individual Quarter Current Quarter Ended 31-Dec-21 RM'000</b>	<b>Preceding Quarter Ended 31-Dec-20 RM'000</b>	<b>Cumulative Quarter Current Year To date 31-Dec-21 RM'000</b>	<b>Preceding Year To date 31-Dec-20 RM'000</b>
<b>Continuing operations</b>				
Revenue	165,097	129,695	511,034	442,877
Cost of sales	<u>(87,737)</u>	<u>(80,003)</u>	<u>(316,746)</u>	<u>(296,604)</u>
<b>Gross profit</b>	<b>77,360</b>	<b>49,692</b>	<b>194,288</b>	<b>146,273</b>
<b>Other items of income</b>				
Interest income	1,284	1,543	2,866	2,321
Other income	43,312	2,189	60,648	31,488
<b>Other items of expense</b>				
Distribution costs	(1,620)	(1,449)	(5,189)	(6,105)
Administrative expenses	(44,496)	(35,483)	(142,399)	(135,048)
Other expenses	(1,937)	(5,096)	(4,158)	(6,986)
Finance costs	<u>(6,749)</u>	<u>(7,615)</u>	<u>(24,636)</u>	<u>(22,353)</u>
<b>Profit before tax</b>	<b>67,154</b>	<b>3,781</b>	<b>81,420</b>	<b>9,590</b>
Taxation	<u>(22,065)</u>	<u>(3,232)</u>	<u>(30,809)</u>	<u>(8,226)</u>
<b>Profit for the period from continuing operations, net of tax</b>	<b>45,089</b>	<b>549</b>	<b>50,611</b>	<b>1,364</b>
<b>Discontinued operation</b>				
Loss from discontinued operation, net of tax	<u>(89,650)</u>	<u>(8,262)</u>	<u>(90,673)</u>	<u>(12,515)</u>
<b>Loss for the period, net of tax</b>	<b>(44,561)</b>	<b>(7,713)</b>	<b>(40,062)</b>	<b>(11,151)</b>
<b>Other comprehensive income:</b>				
Foreign currency translation	(487)	17,145	(612)	(1,488)
Fair value movement of investment securities	(2)	4	(4)	(10)
Fair value movement of other investments	-	4,399	2,961	4,399
Net loss on remeasurement of defined benefits obligations	<u>-</u>	<u>(205)</u>	<u>-</u>	<u>(205)</u>
<b>Other comprehensive income for the period, net of tax</b>	<b>(489)</b>	<b>21,343</b>	<b>2,345</b>	<b>2,696</b>
<b>Total comprehensive (loss)/income for the period</b>	<b><u>(45,050)</u></b>	<b><u>13,630</u></b>	<b><u>(37,717)</u></b>	<b><u>(8,455)</u></b>



**TDM BERHAD**

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Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2021**

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 31-Dec-21 RM'000	Preceding Quarter Ended 31-Dec-20 RM'000	Current Year To date 31-Dec-21 RM'000	Preceding Year To date 31-Dec-20 RM'000
<b>Loss attributable to:</b>				
Owners of the parent	(37,190)	(7,465)	(32,001)	(9,939)
Non-controlling interests	<u>(7,371)</u>	<u>(248)</u>	<u>(8,061)</u>	<u>(1,212)</u>
	<b><u>(44,561)</u></b>	<b><u>(7,713)</u></b>	<b><u>(40,062)</u></b>	<b><u>(11,151)</u></b>
<b>Total comprehensive (loss)/income attributable to:</b>				
Owners of the parent	(36,903)	14,075	(29,009)	(7,153)
Non-controlling interests	<u>(8,147)</u>	<u>(445)</u>	<u>(8,708)</u>	<u>(1,302)</u>
	<b><u>(45,050)</u></b>	<b><u>13,630</u></b>	<b><u>(37,717)</u></b>	<b><u>(8,455)</u></b>
<b>Loss per share attributable to owners of the parent (sen per share):</b>				
Basic (Note 27)	<u>(2.16)</u>	<u>(0.43)</u>	<u>(1.86)</u>	<u>(0.58)</u>

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2020 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 2021**

(The figures have not been audited)

	<b>As at 31-Dec-21 RM'000</b>	<b>As at 31-Dec-20 RM'000</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant & equipment	796,393	819,440
Right-of-use assets	483,495	490,714
Intangible asset	3,747	4,605
Goodwill	991	991
Other investments	41,022	38,107
Investment securities	36	35
Other receivables	186	186
Deferred tax assets	-	87
	<b>1,325,870</b>	<b>1,354,165</b>
<b>Current assets</b>		
Biological assets	8,678	4,154
Inventories	24,057	21,787
Trade and other receivables	57,179	52,713
Contract asset	4,885	7,690
Prepayments	4,849	5,049
Tax recoverable	12,078	13,738
Cash and bank balances	194,201	232,899
Assets of disposal group classified as held for sale	105,666	184,677
	<b>411,593</b>	<b>522,707</b>
<b>Total assets</b>	<b>1,737,463</b>	<b>1,876,872</b>
<b>Current liabilities</b>		
Retirement benefit obligations	742	436
Lease liabilities	1,417	646
Loans and borrowings	54,685	72,345
Trade and other payables	216,248	248,696
Contract liability	-	634
Tax payable	16,885	173
Liabilities of disposal group classified as held for sale	10,412	8,068
	<b>300,389</b>	<b>330,998</b>
<b>Net current assets</b>	<b>111,204</b>	<b>191,709</b>



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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021**

(The figures have not been audited)

	<b>As at 31-Dec-21 RM'000</b>	<b>As at 31-Dec-20 RM'000</b>
<b>Non-current liabilities</b>		
Retirement benefit obligations	5,470	5,495
Lease liabilities	61,456	60,995
Loans and borrowings	435,294	426,629
Other payables	42,108	107,881
Deferred tax liabilities	189,144	189,012
	<b>733,472</b>	<b>790,012</b>
<b>Total liabilities</b>	<b>1,033,861</b>	<b>1,121,010</b>
<b>Net assets</b>	<b>703,602</b>	<b>755,862</b>
<b>Equity attributable to owners of the parent</b>		
Share capital	359,445	359,445
Retained earnings	362,579	408,535
Other reserves	36,035	33,078
Reserves of a disposal group held for sale	(30,170)	(30,205)
	<b>727,889</b>	<b>770,853</b>
<b>Non-controlling interests</b>	(24,287)	(14,991)
<b>Total equity</b>	<b>703,602</b>	<b>755,862</b>
<b>Total equity and liabilities</b>	<b>1,737,463</b>	<b>1,876,872</b>
Net assets per share (RM)	0.41	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 2020 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 2021**

(The figures have not been audited)

	Attributable to owners of the parent									
	Non-distributable		Distributable			Non-distributable				
	Total equity RM'000	Equity attributable to owners of the parent RM'000	Share capital RM'000	Retained earnings RM'000	Total other reserves RM'000	Fair value adjustment reserve RM'000	Employee benefits plan reserve RM'000	Premium paid on acquisition of non-controlling interest RM'000	Reserves of a disposal group held for sale RM'000	Non-controlling interests RM'000
<b>Opening balance at 1 January 2021</b>	755,862	770,853	359,445	408,535	33,078	33,346	(237)	(31)	(30,205)	(14,991)
Loss for the year	(40,062)	(32,001)	-	(32,001)	-	-	-	-	-	(8,061)
<b>Other comprehensive income</b>										
Fair value movement of investment in securities	(4)	(4)	-	-	(4)	(4)	-	-	-	-
Fair value movement of other investment	2,961	2,961	-	-	2,961	2,961	-	-	-	-
Foreign currency translation	(612)	35	-	-	-	-	-	-	35	(647)
Other comprehensive income for the year, net of tax	2,345	2,992	-	-	2,957	2,957	-	-	35	(647)
Total comprehensive (loss)/income for the year, net of tax	(37,717)	(29,009)	-	(32,001)	2,957	2,957	-	-	35	(8,708)
Dividends on ordinary shares	(14,543)	(13,955)	-	(13,955)	-	-	-	-	-	(588)
<b>Closing balance at 31 December 2021</b>	<b>703,602</b>	<b>727,889</b>	<b>359,445</b>	<b>362,579</b>	<b>36,035</b>	<b>36,303</b>	<b>(237)</b>	<b>(31)</b>	<b>(30,170)</b>	<b>(24,287)</b>
<b>Opening balance at 1 January 2020</b>	740,585	769,274	350,713	418,474	28,894	28,957	(32)	(31)	(28,807)	(28,689)
Loss for the year	(11,151)	(9,939)	-	(9,939)	-	-	-	-	-	(1,212)
<b>Other comprehensive income</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	(1,488)	(1,398)	-	-	-	-	-	-	(1,398)	(90)
Net loss on remeasurement of defined benefits obligations	(205)	(205)	-	-	(205)	-	(205)	-	-	-
Other comprehensive income for the year, net of tax	2,696	2,786	-	-	4,184	4,389	(205)	-	(1,398)	(90)
<b>Total comprehensive loss for the year, net of tax</b>	<b>(8,455)</b>	<b>(7,153)</b>	<b>-</b>	<b>(9,939)</b>	<b>4,184</b>	<b>4,389</b>	<b>(205)</b>	<b>-</b>	<b>(1,398)</b>	<b>(1,302)</b>
<b>Transactions with owners</b>										
Acquisition of a subsidiary	15,000	-	-	-	-	-	-	-	-	15,000
Issue of share capital	8,732	8,732	8,732	-	-	-	-	-	-	-
<b>Total transactions with owners</b>	<b>23,732</b>	<b>8,732</b>	<b>8,732</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,000</b>
<b>Closing balance at 31 December 2020</b>	<b>755,862</b>	<b>770,853</b>	<b>359,445</b>	<b>408,535</b>	<b>33,078</b>	<b>33,346</b>	<b>(237)</b>	<b>(31)</b>	<b>(30,205)</b>	<b>(14,991)</b>

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements)



**TDM BERHAD**

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Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

(The figures have not been audited)

	<b>Year Ended</b>	
	<b>31-Dec-21</b>	<b>31-Dec-20</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax from continuing operations	81,420	9,590
Loss before tax from discontinued operations	(90,673)	(12,515)
	<u>(9,253)</u>	<u>(2,925)</u>
<u>Adjustments for:</u>		
Finance costs	24,636	22,353
Depreciation of property, plant and equipment		
- Continuing	64,787	68,150
Amortisation of intangible asset	858	858
Amortisation of right-of-use assets	10,356	10,560
Amortisation of contract assets	2,805	431
Additional/(reversal of) impairment of right-of-use assets		
- Discontinued	16,314	(7,841)
Additional/(reversal of) impairment of property, plant and equipment		
- Discontinued	64,601	(31,294)
Property, plant and equipment written off		
- Continuing	719	4,499
- Discontinued	131	6
Inventories written off		
- Continuing	245	92
Expected credit losses of trade receivables	96	379
Expected credit losses of other receivables		
- Continuing	-	1
- Discontinued	5,014	42,952
Reversal of expected credit losses of trade receivables	(168)	(1,177)
Reversal of expected credit losses of other receivables	(91)	-
Loss on disposal of property, plant and equipment	5	58
Dividend income	(3,014)	(1,935)
Share of profits from estates payable to Lembaga Tabung Amanah Warisan Negeri Terengganu	2,690	1,868
Share of losses from estates by Majlis Agama Islam dan Adat Melayu Terengganu	(459)	(498)
Gain on bargain purchase	-	(17,873)
Profit from Al-Mudharabah	(2,866)	(2,321)
Land premium on sublessee land	(1,119)	(1,962)
Interest income		
- Discontinued	(14)	(3)
Provision for retirement benefit obligations	1,470	859
Fair value changes in biological assets		
- Continuing	(4,517)	843
- Discontinued	(183)	17
Total adjustments	<u>182,296</u>	<u>89,022</u>
Operating cash flows before changes in working capital	<u>173,043</u>	<u>86,097</u>



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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

(The figures have not been audited)

	Year Ended	
	31-Dec-21 RM'000	31-Dec-20 RM'000
<b>Cash flows from operating activities (cont'd.)</b>		
<u>Changes in working capital</u>		
Inventories	(2,515)	(659)
Receivables	(4,303)	13,453
Payables	(94,374)	11,832
Contract asset	2,805	(8,121)
Contract liability	(634)	(15,851)
Prepayment	200	(3,369)
Total changes in working capital	<u>(98,821)</u>	<u>(2,715)</u>
Cash flows from operations	74,222	83,382
Finance costs paid	(24,636)	(23,103)
Profit from Al Mudharabah and interest received	2,880	2,324
Taxes paid	(13,054)	(9,081)
Tax refund	17	-
Retirement benefits paid	(60)	(34)
Net cash flows generated from operating activities	<u>39,369</u>	<u>53,488</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(52,731)	(36,508)
Acquisition of right-of-use assets	(2,552)	(685)
Net cash outflow on acquisition of a subsidiary	-	(16,478)
Dividend received	3,014	1,935
Proceeds from disposal of property, plant and equipment	9	48
Withdrawal of/(placement for) deposit with licensed banks	9,999	(19,388)
Decrease in deposits with licensed banks pledged for bank guarantee facility and Finance Service Reserve Account	<u>(652)</u>	<u>(949)</u>
Net cash flows used in investing activities	<u>(42,913)</u>	<u>(72,025)</u>
<b>Cash flows from financing activities</b>		
Drawdowns of term loans	30,559	24,182
Drawdowns of hire purchase facilities	3,032	-
Repayments of term loans	(45,927)	(42,649)
Repayments of hire purchase facilities	(2,583)	(10,022)
Repayment of finance lease	(2,452)	(6,416)
Proceeds from issuance of shares	-	8,732
Dividend paid to shareholder	(8,959)	-
Advances received from Ikkhas	-	167,676
Net cash flows (used in)/generated from financing activities	<u>(26,330)</u>	<u>141,503</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(29,874)</b>	<b>122,966</b>
<b>Cash and cash equivalents at 1 January</b>	<b>177,505</b>	<b>54,577</b>
Effect of foreign exchange rate changes	4	(38)
<b>Cash and cash equivalents at end of the year</b>	<b><u>147,635</u></b>	<b><u>177,505</u></b>





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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

(The figures have not been audited)

	<b>Year Ended</b>	
	<b>31-Dec-21</b>	<b>31-Dec-20</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash and cash equivalents at the end of the year comprise of the following:		
Cash and banks balances		
- Continuing operations	194,201	232,899
- Discontinuing operations	439	958
Less: Deposits pledged for bank guarantee facility and Finance Service Reserve Account	(36,837)	(36,185)
Less: Deposits with maturity period more than 3 months	(10,168)	(20,167)
Cash and cash equivalents	<u>147,635</u>	<u>177,505</u>

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2020 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 2020. 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 2020.

The interim financial statements of the Group for the financial year ended 31 December 2021 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 2020.

**1.1 Changes in accounting policies**

On 1 January 2021, the Group adopted the following new and amended MFRSs and IC Interpretation mandatory for annual periods beginning on or after 1 January 2021.

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 4: Insurance Contracts	1 January 2021
Amendments to MFRS 7: Financial Instruments: Disclosures	1 January 2021
Amendments to MFRS 9: Financial Instruments	1 January 2021
Amendments to MFRS 16: Leases - Interest Rate Benchmark Reform - Phase 2	1 January 2021
Amendments to MFRS 139: Financial Instruments: Recognition and Measurement	1 January 2021
Amendments to MFRS 16: Leases - Covid 19 - Related Rent Concessions beyond 30 June 2021	1 April 2021

## 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:

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 9: Financial Instruments	1 January 2022
Amendments to MFRS 16: Leases (Interest Rate Benchmark Reform - Phase 2)	1 January 2022
Amendments to MFRS 16: Leases (COVID-19-Related Rent Concessions beyond 30 June 2021)	1 January 2022
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 101: Presentation of Financial Statements	1 January 2023
Amendments to MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
Amendments to MFRS 116: Property, Plant and Equipment	1 January 2022
Amendments to MFRS 137: Provisions, Contingent Liabilities and Contingent Assets	1 January 2022

## 2. Declaration of audit qualification

The preceding annual financial statements for the year ended 31 December 2020 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 year ended 31 December 2021.

## 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

A single-tier interim dividend in respect of the financial year ended 31 December 2020, of 0.29% per share on 1,722,881,001 ordinary shares, amounting to a dividend payable of RM4,996,347 (0.29 sen per ordinary share) has been paid in April 2021.

A single-tier final dividend in respect of the financial year ended 31 December 2020, of 0.23% on 1,722,881,001 ordinary shares, amounting to a dividend payable of RM3,962,619 (0.23 sen per ordinary share) has been paid in July 2021.

Such dividends, have been accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2021.

A single-tier interim dividend in respect of the financial year ended 31 December 2021, of 0.29% on 1,722,881,001 ordinary shares, amounting to a dividend payable of RM4,996,355 (0.29 sen per ordinary share) has been paid in January 2022.

## 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 earning before interest, tax, depreciation and amortisation (EBITDA).

### 3 months ended 31 December 2021

	Plantation Malaysia RM'000	Healthcare RM'000	Investment holding company and others RM'000	Continuing operations RM'000	Discontinued operations RM'000
Total revenue	112,626	61,760	-	174,386	421
Intersegment revenue	(9,040)	(249)	-	(9,289)	-
<b>External revenue</b>	<b>103,586</b>	<b>61,511</b>	<b>-</b>	<b>165,097</b>	<b>421</b>
<b>EBITDA</b>	<b>93,947</b>	<b>8,819</b>	<b>(7,288)</b>	<b>95,478</b>	<b>(89,647)</b>
Depreciation & amortisation	(16,786)	(4,069)	(2,004)	(22,859)	-
Profit from Al-Mudharabah	442	93	749	1,284	-
Hibah income	-	-	-	-	(3)
Finance costs	(3,812)	(772)	(2,165)	(6,749)	-
<b>Profit/(loss) before tax</b>	<b>73,791</b>	<b>4,071</b>	<b>(10,708)</b>	<b>67,154</b>	<b>(89,650)</b>

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

### 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>EBITDA</b>	<b>20,937</b>	<b>3,196</b>	<b>7,664</b>	<b>31,797</b>	<b>(8,263)</b>
Depreciation & amortisation	(16,053)	(4,452)	(1,439)	(21,944)	-
Profit from AI-Mudharabah	543	77	923	1,543	-
Hibah income	-	-	-	-	1
Finance costs	(3,938)	(2,182)	(1,495)	(7,615)	-
<b>Profit/(loss) before tax</b>	<b>1,489</b>	<b>(3,361)</b>	<b>5,653</b>	<b>3,781</b>	<b>(8,262)</b>

### 12 months ended 31 December 2021

	Plantation Malaysia RM'000	Healthcare RM'000	Investment holding company and others RM'000	Continuing operations RM'000	Discontinued operations RM'000
Total revenue	314,741	224,939	-	539,680	5,816
Intersegment revenue	(27,609)	(1,037)	-	(28,646)	-
<b>External Revenue</b>	<b>287,132</b>	<b>223,902</b>	<b>-</b>	<b>511,034</b>	<b>5,816</b>
<b>EBITDA</b>	<b>176,784</b>	<b>23,954</b>	<b>(18,742)</b>	<b>181,996</b>	<b>(90,687)</b>
Depreciation & amortisation	(56,765)	(16,141)	(5,900)	(78,806)	-
Profit from AI-Mudharabah	1,883	232	751	2,866	-
Hibah income	-	-	-	-	14
Finance costs	(13,477)	(2,803)	(8,356)	(24,636)	-
<b>Profit/(loss) before tax</b>	<b>108,425</b>	<b>5,242</b>	<b>(32,247)</b>	<b>81,420</b>	<b>(90,673)</b>
<b>31 December 2021</b>					
Assets	<b>1,377,492</b>	<b>251,455</b>	<b>2,850</b>	<b>1,631,797</b>	<b>105,666</b>
Liabilities	<b>879,470</b>	<b>142,443</b>	<b>1,536</b>	<b>1,023,449</b>	<b>10,412</b>
Exchange rate ratio	MYR 1.00	IDR 3,416			

## 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>EBITDA</b>	<b>90,543</b>	<b>13,732</b>	<b>5,346</b>	<b>109,621</b>	<b>(12,518)</b>
Depreciation & amortisation	(58,094)	(16,029)	(5,876)	(79,999)	-
Profit from Al-Mudharabah	1,195	198	928	2,321	-
Hibah income	-	-	-	-	3
Finance costs	(8,072)	(4,369)	(9,912)	(22,353)	-
<b>Profit/(loss) before tax</b>	<b>25,572</b>	<b>(6,468)</b>	<b>(9,514)</b>	<b>9,590</b>	<b>(12,515)</b>
<b>31 December 2020</b>					
Assets	<b>1,432,647</b>	<b>257,341</b>	<b>2,207</b>	<b>1,692,195</b>	<b>184,677</b>
Liabilities	<b>970,178</b>	<b>141,279</b>	<b>1,485</b>	<b>1,112,942</b>	<b>8,068</b>
Exchange rate ratio	MYR 1.00	IDR 3,492			

## 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 2021 are as follows:

	<b>RM '000</b>
Authorised by the Directors and contracted	33,203
Authorised by the Directors but not contracted	34,295
	<u>67,498</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 2021 versus Q4 2020**

	Q4 2021 RM'000	Q4 2020 RM'000	Changes	
			RM'000	%
<b>REVENUE</b>				
Plantation	103,586	72,766	30,820	42%
Healthcare	61,511	56,929	4,582	8%
<b>Total revenue</b>	<b>165,097</b>	<b>129,695</b>	<b>35,402</b>	<b>27%</b>
Plantation	93,947	20,937	73,010	349%
Healthcare	8,819	3,196	5,623	176%
Investment holding company and others	(7,288)	7,664	(14,952)	->100%
<b>EBITDA</b>	<b>95,478</b>	<b>31,797</b>	<b>63,681</b>	<b>200%</b>
Depreciation & amortisation	(22,859)	(21,944)	(915)	-4%
Profit from Al-Mudharabah	1,284	1,543	(259)	-17%
Finance costs	(6,749)	(7,615)	866	11%
<b>Profit before tax</b>	<b>67,154</b>	<b>3,781</b>	<b>63,373</b>	<b>1676%</b>

The Group's revenue for the three months period ended 31 December 2021 increased by 27% compared to the previous corresponding quarter mainly due to higher revenue recorded from Plantation Division by RM30.8 million, an improvement of 42% and Healthcare Division by RM4.6 million, an increase of 8%.

The Group recorded a Profit Before Tax (PBT) of RM67.1 million during the quarter, an increase of 17 times compared to RM3.8 million in the same quarter the year before.

**PLANTATION DIVISION**

During the quarter, our Plantation Division registered an EBITDA of RM93.9 million during the quarter, compared to RM20.9 million in the previous corresponding quarter. The division also reported a higher PBT of RM73.8 million during the quarter, compared to RM1.5 million in the corresponding quarter of 2020. Both EBITDA and PBT recorded an impressive improvement of 4 and 49 times respectively.

The Plantation Division recorded higher revenue of 42% mainly due to higher CPO and PK average prices of 52% and 81% respectively. However, there was a reduction in CPO sales volume by 15% as a result of lower FFB production from own estates and lower outside crop purchases (OCP) during this quarter. The kernel extraction rate (KER) was higher by 22% at 5.08%.

**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 2021 versus Q4 2020 (cont'd.)**

**PLANTATION DIVISION (cont'd.)**

Below are the key operating statistics for Plantation division:

<b>Plantation Statistics</b>	<b>Q4 2021</b>	<b>Q4 2020</b>	<b>Changes</b>	<b>%</b>
CPO sales volume (mt)	18,672	22,042	(3,370)	-15%
PK sales volume (mt)	4,953	4,799	154	3%
FFB production (mt)	98,368	103,409	(5,041)	-5%
CPO average price (RM)	5,073	3,339	1,734	52%
PK average price (RM)	3,724	2,056	1,668	81%
Mature area (hectare)	24,592	25,534	(942)	-4%
Immature area (hectare)	8,771	7,986	785	10%
Oil extraction rate (OER)	18.98%	19.07%	(0.09%)	0%
Kernel extraction rate (KER)	5.08%	4.18%	0.9%	22%

**HEALTHCARE DIVISION**

The Group's Healthcare Division experienced a gradual recovery from the impact of the Movement Control Order (MCO) implemented since March 2020. It reported a higher revenue by 8%, from RM56.9 million to RM61.5 million, during the quarter, compared to the previous corresponding quarter. This was primarily due to an increase in the number of inpatient and outpatients by 8% and 15% respectively. Also higher average revenue per patient by 2% in contrast to the previous corresponding quarter.

During the quarter, the division also recorded a higher PBT of RM4.1 million, compared to LBT of RM3.4 million in the previous corresponding quarter.

Below are the key operating statistics for Healthcare division:

<b>Healthcare Statistics</b>	<b>Q4 2021</b>	<b>Q4 2020</b>	<b>Changes</b>	<b>%</b>
Number of inpatient	4,717	4,386	331	8%
Number of outpatient	46,975	41,020	5,955	15%
Inpatient days	12,250	13,803	(1,553)	-11%
Occupancy rate (%)	36%	38%	(2%)	-5%
Average length of stay (day)	2.31	2.92	(0.61)	-21%
Number of bed	394	394	-	-
Average revenue per inpatient (RM)	9,398	9,233	165	2%



**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 - 12M 2021 versus 12M 2020**

	FY 2021 RM'000	FY 2020 RM'000	Changes RM'000	%
<b>REVENUE</b>				
Plantation	287,132	240,310	46,822	19%
Healthcare	223,902	202,567	21,335	11%
<b>Total revenue</b>	<b>511,034</b>	<b>442,877</b>	<b>68,157</b>	<b>15%</b>
Plantation	176,784	90,543	86,241	95%
Healthcare	23,954	13,732	10,222	74%
Investment holding company and others	(18,742)	5,346	(24,088)	->100%
<b>EBITDA</b>	<b>181,996</b>	<b>109,621</b>	<b>72,375</b>	<b>66%</b>
Depreciation & amortisation	(78,806)	(79,999)	1,193	1%
Profit from AI-Mudharabah	2,866	2,321	545	23%
Finance costs	(24,636)	(22,353)	(2,283)	-10%
<b>Profit before tax</b>	<b>81,420</b>	<b>9,590</b>	<b>71,830</b>	<b>749%</b>

For the year ended 31 December 2021, the Group's revenue improved by 15% compared to the previous corresponding year due to the revenue growth from Plantation Division by RM46.8 million or 19% and Healthcare Division by RM21.3 million or 11%. The Group also registered a substantial increase in PBT by RM71.8 million, more than 8 times higher compared to the previous corresponding year.

The group registered EBITDA of RM181.9 million for the year ended 31 December 2021, compared to EBITDA of RM109.6 million in the previous corresponding year.

**PLANTATION DIVISION**

The Plantation Division recorded a 19% increase in revenue compared to the corresponding year, supported by higher average CPO and PK prices by 58% and 77% respectively. However, this is partly offset with lower sales volume of CPO and PK by 26% and 19% respectively.

The division registered an EBITDA of RM176.8 million, an improvement of 95% compared to the previous corresponding year of RM90.5 million.

Below are the key operating statistics for Plantation division:

<b>Plantation Statistics</b>	FY 2021	FY 2020	Changes	%
CPO sales volume (mt)	61,559	82,660	(21,101)	-26%
PK sales volume (mt)	14,786	18,169	(3,383)	-19%
FFB production (mt)	315,167	393,581	(78,414)	-20%
CPO average price (RM)	4,447	2,822	1,625	58%
PK average price (RM)	3,007	1,697	1,310	77%
Mature area (hectare)	24,592	25,534	(942)	-4%
Immature area (hectare)	8,771	7,986	785	10%
Oil extraction rate (OER)	19.14%	19.49%	(0.35%)	-2%
Kernel extraction rate (KER)	4.64%	4.26%	0.38%	9%

**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 - 12M 2021 versus 12M 2020 (cont'd.)**

**HEALTHCARE DIVISION**

During the year, the Healthcare Division clocked a higher revenue by 11% compared to the corresponding year, mainly contributed by an increase in the number of outpatients of 24% and average revenue per inpatient of 13%. The division registered a significantly higher EBITDA of RM23.9 million, a 74% growth compared to RM13.7 million achieved in the previous corresponding year.

Below are the key operating statistics for Healthcare division:

<b>Healthcare Statistics</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>Changes</b>	<b>%</b>
Number of inpatient	17,135	18,033	(898)	-5%
Number of outpatient	186,645	150,043	36,602	24%
Inpatient days	48,775	58,287	(9,512)	-16%
Occupancy rate (%)	35%	41%	(7%)	-17%
Average length of stay (day)	2.57	2.91	(0.34)	-12%
Number of bed	394	394	-	-
Average revenue per inpatient (RM)	9,205	8,146	1,059	13%

**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 2021 versus Q3 2021**

	<b>Q4 2021</b>	<b>Q3 2021</b>	<b>Changes</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
<b>REVENUE</b>				
Plantation	103,586	75,726	27,860	37%
Healthcare	61,511	56,422	5,089	9%
<b>Total revenue</b>	<b>165,097</b>	<b>132,148</b>	<b>32,949</b>	<b>25%</b>
Plantation	93,947	41,643	52,304	126%
Healthcare	8,819	6,331	2,488	39%
Investment holding company and others	(7,288)	(4,095)	(3,193)	-78%
<b>EBITDA</b>	<b>95,478</b>	<b>43,879</b>	<b>51,599</b>	<b>118%</b>
Depreciation & amortisation	(22,859)	(19,649)	(3,210)	-16%
Profit from AI-Mudharabah	1,284	533	751	141%
Finance costs	(6,749)	(5,774)	(975)	-17%
<b>Profit before tax</b>	<b>67,154</b>	<b>18,989</b>	<b>48,165</b>	<b>-254%</b>

The Group's revenue for the three months ended 31 December 2021 was higher by 25% compared to the immediate preceding quarter mainly due to higher revenue at both Plantation and Healthcare Division by 37% and 9% respectively.

The Group recorded PBT of RM67.2 million during the quarter, compared to PBT of RM18.9 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 2021 versus Q3 2021 (cont'd.)**

**PLANTATION DIVISION**

During the quarter, our Plantation Division registered an EBITDA of RM93.9 million, compared to RM41.6 million in the immediate preceding quarter.

The Plantation Division recorded a higher revenue by 37% mainly due to higher CPO and PK sales volume by 9% and 33% respectively and higher CPO and PK average price by 16% and 44% respectively as compared to the immediate preceding quarter.

Below are the key operating statistics for Plantation division:

<b>Plantation Statistics</b>	<b>Q4 2021</b>	<b>Q3 2021</b>	<b>Changes</b>	<b>%</b>
CPO sales volume (mt)	18,672	17,114	1,558	9%
PK sales volume (mt)	4,953	3,719	1,234	33%
FFB production (mt)	98,368	87,626	10,742	12%
CPO average price (RM)	5,073	4,379	694	16%
PK average price (RM)	3,724	2,593	1,131	44%
Mature area (hectare)	24,592	26,668	(2,076)	-8%
Immature area (hectare)	8,771	6,651	2,120	32%
Oil extraction rate (OER)	18.98%	19.33%	-0.35%	-2%
Kernel extraction rate (KER)	5.08%	4.22%	0.86%	20%

**HEALTHCARE DIVISION**

During the quarter, our Healthcare Division registered an EBITDA of RM8.8 million, compared to RM6.3 million in the immediate preceding quarter.

The Healthcare Division recorded a higher revenue by 9% mainly due to the increase in number of inpatient and outpatient by 14% and 3% respectively. Also increase in inpatient days by 16% in contrast to the previous corresponding quarter. However, this is offset with decrease in average revenue per inpatient by 3% as compared to the immediate preceding quarter.

Below are the key operating statistics for Healthcare division:

<b>Healthcare Statistics</b>	<b>Q4 2021</b>	<b>Q3 2021</b>	<b>Changes</b>	<b>%</b>
Number of inpatient	4,717	4,124	593	14%
Number of outpatient	46,975	45,807	1,168	3%
Inpatient days	12,250	10,526	1,724	16%
Occupancy rate (%)	36%	35%	1%	3%
Average length of stay (day)	2.31	2.55	(0.24)	-9%
Number of bed	394	394	-	-
Average revenue per inpatient (RM)	9,398	9,659	-261	-3%

**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**

The Malaysian palm oil industry closed the year 2021 with a few notable achievements despite the challenges faced by the industry due to MCOs imposed to curb the spread of Covid-19 and the resulted disruptions to the palm oil supply chain. CPO traded price of RM5,429/mt, monthly average price of RM5,341/mt achieved in November 2021 and RM4,407/mt average for year 2021 were the highest recorded prices in palm oil history. Total export revenue of RM106.5 billion was the highest despite lower export volumes, influenced by record high prices.

On the other hand, FFB yield and CPO production were lower by 7.5% and 5.3% respectively against last year, compensated by higher OER of 0.5%. PK production also was lower by 6.1% due to lower FFB processed and lower KER by 5.8% and 0.4% respectively. The lower FFB yield was mainly due to workers shortage issue and flooding incidents.

The outlook for 1st quarter and Year 2022

The palm oil price rally around RM4,800/mt to RM5,000/mt is expected to be prolonged into 1QFY2022, influenced by tight supplies, low stocks and stable export demand before gradually coming down to RM4,700/mt and RM4,500/mt level during the 2QFY2022 with expected higher production. MPOB forecasted an average CPO price of RM3,800/mt for FY2022 with total CPO production of 19.2 million metric ton.

The main characteristics of edible oil prices in 2021 with high volatility and amplitude and high prices driven by supply constraints is expected to continue at least until end first half of 2022 (2HFY2022), to be influenced mainly by palm oil productions, workers shortage, fertilizer cost, palm discount to soya bean oil, changes in trade policies in Indonesia and India and local biodiesel programs. The conflict between Russia and Ukraine is expected to further increase the edible oil price.

The company will continue to focus on local workforce recruitment, flood mitigation and maximizing the mechanization in estates operation to address the issue of productivity. Higher certified sustainable palm oil (CSPO) and certified sustainable palm kernel (CSPK) premiums for year 2022 will be achieved by securing more contracts from regular and reputable buyers.

Both of our mills have recorded impressive improvement of 25% in throughput from 40mt to 50mt per hour. With the improvement in throughput, we target to increase the Outside Crop Purchase (OCP) of FFB to more than 100,000 tonne this year. The increase in output of CPO would further reduce our CPO processing costs, whilst also increasing our revenues.

At the same time, we have employed data analytics technique to assist us in analysing our estates' performance on a micro level, rather than just relying on macro level overview. This data analytic technique would help our team to precisely identify the issues at a particular block thus enabling us to prescribe the right solution.

Due to the frequent flooding in the East Coast, we are also expediting the construction of flood mitigation infrastructure to maximize our FFB evacuation during the monsoon season. This one time investment on flood mitigation infrastructure shall enhance our long term productivity and efficiency.

Our estates are also accelerating the efforts to adopt mechanization as the improvement in productivity is significant. All our new replanting areas are designed in such a way that the estate is conducive and accessible to mechanization activities.

**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.)**

The outlook for 1st quarter and Year 2022 (cont'd.)

With reference to local workforce recruitment at the estate, as of December 2021, 58% of our workers are locals compared to just 42% in the previous year. We expect to improve local workforce ratio further this year as we are focusing on reducing our dependence on foreign labours.

**Divestment of Plantation Indonesia Division**

The rehabilitation program at our estate is making good progress which has resulted in higher production of FFB. At the same time, the intended divestment process is progressing well. With the record high CPO price as well as the continuing rehabilitation program, these developments bode well with the divestment process.

**Healthcare**

The group's recovery is inching further towards hitting pre-pandemic level with a few hospitals already recorded revenue beyond the pre-covid achievement. Continued focus on its growth trajectory, revenue streams and profitability margin will be the primary areas of concern amid the anticipated rising operational costs. As an appreciation for the continued support and trust, the Healthcare Division is working out its level best to contain the costs increase without passing them down to patients.

Year 2022 is anticipated to be a better year with steady patient traffic due to the increasing booster vaccinated rate among the Malaysian population. Pediatric cases are expected to contribute again as a substantial contributor to hospital's revenue alongside with other major discipline cases. However, it largely depends on the threat of the fast-spreading Omicron variant recently detected globally.

The group continues to explore opportunities in providing support for non-covid care treatment from government hospitals and act as Pusat Pemberian Vaksin (PPV) centers to expedite further vaccination process.

Aside from the planned 5 years Capacity Expansion, Capability extension and expansion are also given primary importance for the Group's revenue streams generation and meet the diversity of patients care by focusing on the development of Eye Centre with subspecialties, enhancement on Orthopedic services through the establishment of Orthopedic Centre of Excellence, introduction of Oncology services as well as Neurology care. Capacity scale up is deemed timely in view of the continuously stronger Bed Occupancy Rate (BOR) and the need to serve strategic areas.

In enhancing the Group's presence in the East Coast of Malaysia, the Group is currently focusing to set up Ambulatory Care Centres in Terengganu, a new medical centre in Kemaman, KMI Chukai Medical Centre and developing new hospitals in other areas to serve the surrounding communities.

**COVID-19**

The Malaysian economy registered a positive growth of 3.6% in the fourth quarter of 2021 (3Q 2021: -4.5%), as economic activities resumed with the easing of containment measures. The rebound in economic activity was aided by recovery in the labour market as well as continued policy support. In addition, strong external demand amid the continued upcycle in global technology provided a further lift to growth. As expected, headline inflation increased to 3.2% during the quarter (3Q 2021: 2.2%). Core inflation increased marginally to 0.8% during the quarter (3Q 2021: 0.7%) as economic reopening gathered momentum. For 2021 as a whole, average headline inflation was 2.5% (2020: -1.2%), while core inflation averaged at 0.7% (2020: 1.1%).

**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.)**

For 2022, the acceleration of the COVID-19 booster vaccination programme and vaccination of children above 5 years old, coupled with sufficient capacity in the healthcare system, would improve domestic economic activities, thus strengthening the recovery momentum. Average headline inflation for 2022 is likely to remain moderate as the base effect from fuel inflation dissipates.

**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.

**v) People Centric Team**

The team is tasked to manage the employee's wellbeing during the crisis period. Our Business Recovery 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 2021.

**TDM BERHAD**  
Company No 196501000477 (6265-P)  
Incorporated in Malaysia

**18. Profit for the year**

	<b>Current year to date</b>	
	<b>31-Dec-21 RM'000</b>	<b>31-Dec-20 RM'000</b>
<b>The following amounts have been included in arriving at profit before tax:</b>		
Finance costs	24,636	22,353
Depreciation of property, plant and equipment		
- Continuing	64,787	68,150
Amortisation of intangible asset	858	858
Amortisation of right-of-use assets	10,356	10,560
Amortisation of contract assets	2,805	431
Additional/(reversal of) impairment of right-of-use assets		
- Discontinued	16,314	(7,841)
Additional/(reversal of) impairment of property, plant and equipment		
- Discontinued	64,601	(31,294)
Property, plant and equipment written off		
- Continuing	719	4,499
- Discontinued	131	6
Inventories written off		
- Continuing	245	92
Expected credit losses of trade receivables	96	379
Expected credit losses of other receivables		
- Continuing	-	1
- Discontinued	5,014	42,952
Loss on disposal of property, plant and equipment	5	58
Reversal of expected credit losses of trade receivables	(168)	(1,177)
Reversal of expected credit losses of other receivables	(91)	-
Dividend income	(3,014)	(1,935)
Share of profits from estates payable to Lembaga Tabung Amanah Warisan Negeri Terengganu	2,690	1,868
Share of losses from estates by Majlis Agama Islam dan Adat Melayu Terengganu	(459)	(498)
Gain on bargain purchase	-	(17,873)
Profit from Al-Mudharabah	(2,866)	(2,321)
Land premium on sublessee land	(1,119)	(1,962)
Interest income		
- Discontinued	(14)	(3)
Provision for retirement benefit obligations	1,470	859
Fair value changes in biological assets		
- Continuing	(4,517)	843
- Discontinued	(183)	17

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

	<b>Current Quarter</b>		<b>Current year to date</b>	
	<b>31-Dec-21 RM'000</b>	<b>31-Dec-20 RM'000</b>	<b>31-Dec-21 RM'000</b>	<b>31-Dec-20 RM'000</b>
Current income tax	25,581	8,382	33,913	8,967
(Over)/under provision of income tax in prior year	(1,398)	516	(1,380)	701
	<u>24,183</u>	<u>8,898</u>	<u>32,533</u>	<u>9,668</u>
Deferred tax:				
Relating to reversal of temporary differences	(1,809)	(4,324)	(1,429)	(2,953)
(Over)/under provision of deferred tax	(309)	(1,342)	(295)	1,511
Income tax expense	<u>22,065</u>	<u>3,232</u>	<u>30,809</u>	<u>8,226</u>

Income tax was calculated at the Malaysian statutory tax rate of 24% (2020: 24%) of the estimated assessable profit for the quarter/year.

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

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:

	<b>Group</b>	
	<b>As at 31-Dec-21 RM'000</b>	<b>As at 31-Dec-20 RM'000</b>
<b>Assets:</b>		
Property, plant and equipment	67,517	128,629
Right-of-use assets	17,123	32,300
Trade receivables	136	134
Other receivables	19,951	22,369
Prepayment	14	22
Biological assets	444	255
Inventories	42	10
Cash and bank balances	439	958
Assets held for sale	105,666	184,677
<b>Liabilities:</b>		
Other payables	(9,192)	(7,156)
Retirement benefit obligations	(1,161)	(828)
Tax payable	(59)	(34)
Lease liabilities	-	(50)
Liabilities directly associated with assets held for sale	(10,412)	(8,068)
<b>Net assets directly associated with disposal group</b>	<b>95,254</b>	<b>176,609</b>

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

	<b>Current year to date</b>	
	<b>31-Dec-21 RM'000</b>	<b>31-Dec-20 RM'000</b>
Revenue	5,816	2,998
Cost of sales	(7,495)	(6,948)
<b>Gross loss</b>	(1,679)	(3,950)
Hibah income	14	3
Administrative expenses	(3,278)	(4,172)
Other expenses *	(85,730)	(4,396)
<b>Loss before tax</b>	(90,673)	(12,515)
Income tax expense	-	-
<b>Loss for the year from discontinued operations, net of tax</b>	<b>(90,673)</b>	<b>(12,515)</b>

\* Included in other expenses are impairment/(reversal of impairment) and allowance for expected losses



## 21. Corporate proposals

### **i. Business Transfer Agreement ("BTA") with Tawau Specialist Hospital Sdn Bhd ("TSHSB") for the acquisition of the business of operating Tawau Specialist Hospital ("TSH"); and Sub-Lease Agreement with Tawau Specialist Hospital Sdn Bhd for the Hospital Land together with the Hospital building.**

On 8 October 2021, there are further announcement on the additional information as follows: -

#### (a) Basis and justification of arriving at the Purchase Consideration

- (i) Indicative Valuation by External Valuer as at 31 December 2019, adopting Discounted Cash Flow ("DCF") approach for the financial projection from 1 January 2020 to 31 December 2025 and the unlisted status of TSHSB. The Valuer also considered implied EV/EBITDA multiple comparison to arrive at the Indicative Valuation. The Indicative Valuation has also been carried out on the basis that the existing business of TSHSB is and will continue to be a going concern.
- (i) Final price of TSH (Purchase Consideration) was determined based on item (i) and perceptions of business and market factors including commercial considerations, value of available prospect for expansion, readily available market presence, and on willing buyer willing seller basis. The Purchase Consideration was earlier agreed between the Parties during FY2020. TSHSB and Kumpulan Medic Iman Sdn Bhd's ("KMI") had earlier entered into Hospital Management Agreement for 3 years (since December 2017) whereby KMI manages the operations of the hospital and is fully aware of TSHSB's worth.

#### (b) Commentary on the financial performance

KMI presence in Tawau started in December 2017 whereby KMI entered into Hospital Management Agreement ("HMA") dated 12 December 2017 with Tawau Maternity and Specialist Hospital Sdn Bhd [which later changed to Tawau Specialist Hospital Sdn Bhd ("TSHSB")]. Pursuant to the HMA, KMI undertook the management and consultancy services of Tawau Maternity Hospital (later known as Tawau Specialist Hospital or "TSH") in consideration of Management Fee. The objective of the HMA is to expand the business operation of TSH, ultimately improving its revenue. TSH historically started as a Maternity Hospital whereby its operations were primarily managed by a single Obstetrics & Gynaecology Consultant and a Consultant Paediatrician, limiting its capability to expand.

Upon entering into the HMA, KMI orchestrated the conversion of TSH from its status as a maternity hospital into a multidiscipline private hospital and obtained approval from the Ministry of Health. A resident surgeon and anaesthetist were subsequently recruited and served as primary clinicians, resulting in better financial performance.

In 2019, Accident and & Emergency Department expanded with the recruitment of Medical Officer operating on 24 hours basis. New visiting specialists were also enrolled, including specialists for Orthopaedics, Ophthalmology, and Ear, Nose & Throat disciplines. Through the multiple revenue streams, TSH's revenue significantly increased by 57% from RM4.0 million in FY2019 to RM6.7 million in FY2020.

KMI continues to indulge in value creation and business development activities in FY2020-FY2021 evidenced by the maintainable revenue level at RM6.5 million for year ended February 2021.

On 29 December 2021, The Board of Directors of TDM Berhad announces that the period for completion of the Proposed Acquisition of Business has been automatically extended for a period of three (3) months commencing from 1 January 2021 and ending 31 March 2022, as to facilitate the fulfilment of the Conditions Precedent as stipulated in the BTA.

## 22. Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 days (2020: 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:

	<b>Group</b>	
	<b>As at 31-Dec-21 RM'000</b>	<b>As at 31-Dec-20 RM'000</b>
Trade receivables - nominal amounts	48,691	45,417
Less: Allowance for expected credit losses	(2,984)	(5,775)
	45,707	39,642

Movement in allowance accounts:

	<b>Group</b>	
	<b>As at 31-Dec-21 RM'000</b>	<b>As at 31-Dec-20 RM'000</b>
At 1 January	5,775	8,515
Provision for expected credit losses	96	379
Reversal of expected credit losses	(168)	(1,177)
Written off	(2,719)	(1,942)
At 31 December	2,984	5,775

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 2021 and 31 December 2020 are as follows:

### Group borrowings and debt securities.

#### As at 31 December 2021

	<b>Long term RM'000</b>	<b>Short term RM'000</b>	<b>Total borrowings RM'000</b>
<b>Secured</b>			
Bank loans	406,346	34,549	440,895
Bank overdraft	19,047	-	19,047
Obligation under hire purchase	9,901	2,986	12,887
	435,294	37,535	472,829
<b>Unsecured</b>			
Bank loans	-	17,150	17,150
	-	17,150	17,150
	435,294	54,685	489,979

#### 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	407,502	46,194	453,696
Bank overdraft	9,841	-	9,841
Obligation under hire purchase	9,286	2,871	12,157
	426,629	49,065	475,694
<b>Unsecured</b>			
Bank loans	-	23,280	23,280
	-	23,280	23,280
	426,629	72,345	498,974

#### 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 year ended 31 December 2021.

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

##### 1) PENGADILAN NEGERI SINTANG [No. 44.Pdt.G/LH/2021/PN Stg]

##### **Ministry of Environment & Forest, Indonesia - Plaintiff vs PT. Rafi Kamajaya Abadi ("PTRKA") - Defendant**

The Plaintiff is claiming against PTRKA/Defendant for the alleged action against the law committed by PTRKA in the fire incident case occurred in 2019. The total damages claimed is IDR270,807,710.959 (approximately RM79,381,562.00), the details are as tabulated below:

Item	Details	IDR
i.	Compensation costs for the Environment Impact Verificatio	143,024,000
ii.	Loss of ecology	188,977,440,000
iii.	Loss of economy	81,687,246,859
	Total	270,807,710,859

On top of the above, the Plaintiff is also claiming a total compensation of IDR731,036,640.00 (approximately RM214,287,963.00) against the Defendant in order to make good of an area of 2,560 hectares affected by the fire incident, the details are as tabulated below:

Item	Details	IDR
i.	Costs of making good	624,640,000,000
ii.	Costs to reactivate the affected ecology system	21,576,640,000
iii.	Costs to repair/recdevelop the hydrology system at peat areas	30,720,000,000
iv.	Costs of revegetation	51,200,000,000
v.	Costs of monitoring the environment	2,900,000,000
	Total	731,036,640,000

#### **APPEAL**

The mediation held on 17 January 2022 could not reach any settlement. The parties agree to resort to the full trial and the court will fixed the new hearing date.

During the Hearing date held on 31 January 2022, the court had directed as follows:-

- i. PTRKA to file its Statement of Defence and Counter Claim on 14 February 2022;
- ii. The Plaintiff to file Reply to Defence and Counter Claim on 21 February 2022; and
- iii. PTRKA to file its Reply to the Plaintiff's reply to defence and counterclaim on 1 March 2022.

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

**2) 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 Court has also fixed tentative continued hearing dates as follows:-

- i. 7 March 2022 – 10 March 2022; and
- ii. 13 June 2022 - 16 June 2022.

**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 KUANTAN [CA-22NCVC-46-11/2019]**

**Tunas Capital Sdn Bhd-Plaintiff vs Kuantan Medical Centre Sdn Bhd-Defendant**

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.

Messrs. Mohd Najid & Partners had informed on the following outcome the hearing held on 9-11 November 2020:-

- 1) 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 has also fixed tentative continued hearing dates as follows:-

- i. 28 March 2022; and
- ii. 20 April 2022 – 21 April 2022.

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

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

**Lim Puay Leng - Plaintiff vs**

- 1. Dr. Azhar bin Zainuddin**
- 2. Kuala Terengganu Specialist Hospital Sdn Bhd ("KTS")**

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 general damages and special damages calculated at the rate of 4% per annum from the date of the Writ up to the date of full settlement;
- vi. Costs; and
- vii. Such further or other relief as the Court deems fit.

The High Court had on 29 August 2019 decided that 2<sup>nd</sup> Defendant is jointly responsible and awarded to the Plaintiff RM 223,895.66.

KTS has instructed the Solicitor to file an appeal at Court of Appeal. Notice of Appeal was filed on 14 October 2019.

**APPEAL**

The Court of Appeal deliver their decision on 11 January 2022 as follows:-

- i. The Court of Appeal had allowed the appeal by KTS (Appellant);
- ii. The Court of Appeal had dismissed the counter appeal by Lim Puay Leng (Respondent);
- iii. Cost of RM15,000.00 to be paid by Lim Puay Leng (Respondent) to KTS (Appellant).

As there is no application to leave for appeal at the Federal Court made by Lim Puay Leng's Solicitor, this matter is now considered **CLOSE**.

**26. Dividend proposed**

On 17 December 2021, a single-tier interim dividend in respect of the financial year ended 31 December 2021, of 0.29% on 1,722,881,001 ordinary shares, amounting to a dividend payable of RM4,996,355 (0.29 sen per ordinary share) was proposed and has been paid on 14 January 2022. An interim dividend is accounted for an equity as an appropriation of retained earnings in the financial year ended 31 December 2021.

## 27. Loss per share

Basic loss per share is calculated by dividing the 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 31-Dec-21 RM'000	Preceding Quarter Ended 31-Dec-20 RM'000	Current Quarter To date 31-Dec-21 RM'000	Preceding Quarter To date 31-Dec-20 RM'000
Loss net of tax attributable to owners of the parent used in the computation of basic loss per share	(37,190)	(7,465)	(32,001)	(9,939)
Add back: Loss/(profit) from discontinued operation, net of tax, attributable to owners of the parent	84,642	(524)	85,216	11,905
Profit/(loss) net of tax from continuing operations attributable to owners of the parent used in the computation of basic loss per share	47,452	(7,989)	53,215	1,966
	31-Dec-21 number of ordinary shares '000	31-Dec-20 number of ordinary shares '000	31-Dec-21 number of ordinary shares '000	31-Dec-20 number of ordinary shares '000
Weighted average number of ordinary shares in issue for basic loss per share computation	1,722,881	1,722,881	1,722,881	1,722,881
(Loss)/earning per share attributable to owners of the parent (sen per share):				
Basic (loss)/earning per share (sen per share)	(2.16)	(0.43)	(1.86)	(0.58)
- continuing operations	2.75	(0.46)	3.09	0.11
- discontinued operation	(4.91)	0.03	(4.95)	(0.69)

28. The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 25 February 2022.

### BY ORDER OF THE BOARD

BADROL ABU BAKAR  
Company Secretary  
Kuala Terengganu  
28 February 2022