



# **TDM BERHAD**

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

**INTERIM FINANCIAL STATEMENTS  
31 DECEMBER 2019**



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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2019**

(The figures have not been audited)

	4th Quarter Ended		Financial Year Ended	
	31-Dec-19 RM'000	31-Dec-18 RM'000 Restated	Current Period To date 31-Dec-19 RM'000	Preceding Period To date 31-Dec-18 RM'000 Restated
<b>Continuing operations</b>				
Revenue	121,317	103,940	431,725	404,581
Cost of sales	(101,653)	(95,345)	(315,023)	(300,794)
<b>Gross profit</b>	<b>19,664</b>	<b>8,595</b>	<b>116,702</b>	<b>103,787</b>
<b>Other items of income</b>				
Interest income	151	5,830	655	28,884
Other income	2,262	736	11,135	7,797
<b>Other items of expense</b>				
Distribution costs	(1,668)	(1,080)	(6,185)	(3,719)
Administrative expenses	(7,025)	(35,193)	(138,422)	(143,318)
Other expenses	4,890	(1,780)	(1,773)	(3,187)
Finance costs	(7,093)	(5,491)	(20,690)	(23,031)
<b>Profit/(loss) before tax from continuing operations</b>	<b>11,181</b>	<b>(28,383)</b>	<b>(38,578)</b>	<b>(32,787)</b>
Income tax expenses	(2,935)	(6,819)	(3,168)	(9,564)
<b>Profit/(loss) from continuing operations, net of tax</b>	<b>8,246</b>	<b>(35,202)</b>	<b>(41,746)</b>	<b>(42,351)</b>
<b>Discontinued operation</b>				
Loss from discontinued operation, net of tax	(44,399)	(20,210)	(177,595)	(80,840)
<b>Loss for the period, net of tax</b>	<b>(36,153)</b>	<b>(55,412)</b>	<b>(219,341)</b>	<b>(123,191)</b>



**TDM BERHAD** (Company No 6265-P)  
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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2019**

(The figures have not been audited)

	4th Quarter Ended		Financial Year Ended	
	31-Dec-19 RM'000	31-Dec-18 RM'000 Restated	Current Period To date 31-Dec-19 RM'000	Preceding Period To date 31-Dec-18 RM'000 Restated
<b>Other comprehensive income/(loss):</b>				
Fair value movement of investment in securities	95	2	-	(4)
Fair value movement of other investments	7,781	(25,790)	11,414	(25,790)
Foreign currency translation	10,073	18,507	13,706	13,930
<b>Other comprehensive income/(loss) for the period, net of tax</b>	<b>17,949</b>	<b>(7,281)</b>	<b>25,120</b>	<b>(11,864)</b>
<b>Total comprehensive loss for the period</b>	<b>(18,204)</b>	<b>(62,693)</b>	<b>(194,221)</b>	<b>(135,055)</b>
<b>Loss attributable to:</b>				
Owners of the parent	(35,054)	(52,612)	(215,456)	(118,659)
Non-controlling interests	(1,099)	(2,800)	(3,885)	(4,532)
	<b>(36,153)</b>	<b>(55,412)</b>	<b>(219,341)</b>	<b>(123,191)</b>
<b>Total comprehensive loss attributable to:</b>				
Owners of the parent	(17,105)	(59,893)	(190,336)	(130,523)
Non-controlling interests	(1,099)	(2,800)	(3,885)	(4,532)
	<b>(18,204)</b>	<b>(62,693)</b>	<b>(194,221)</b>	<b>(135,055)</b>
<b>Loss per share attributable to owners of the parent (sen per share):</b>				
Basic (Note 28)	(2.08)	(3.13)	(12.80)	(7.11)

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements)



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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2019**

(The figures have not been audited)

	<b>As at 31-Dec-19 RM'000</b>	<b>As at 31-Dec-18 RM'000 Restated</b>	<b>As at 1-Jan-18 RM'000 Restated</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant & equipment	1,118,726	1,497,598	1,591,614
Right of use asset	59,866	60,392	-
Intangible asset	5,463	6,321	6,631
Investment properties	3,816	14,284	10,686
Goodwill	991	991	991
Other investments	36,708	22,294	363,084
Investment securities	45	44	48
Other receivables	-	65,880	109,770
Deferred tax assets	27,412	-	5,946
	<b>1,253,027</b>	<b>1,667,804</b>	<b>2,088,770</b>
<b>Current assets</b>			
Biological assets	4,916	3,973	7,838
Inventories	21,503	30,772	37,469
Trade and other receivables	52,906	56,715	87,578
Prepayments	4,906	1,058	1,525
Tax recoverable	9,131	13,712	7,947
Cash and bank balances	89,045	75,718	108,311
Assets of disposal group classified as held for sale	191,225	-	-
	<b>373,632</b>	<b>181,948</b>	<b>250,668</b>
<b>Total assets</b>	<b>1,626,659</b>	<b>1,849,752</b>	<b>2,339,438</b>
<b>Current liabilities</b>			
Lease liability	32	32	-
Borrowings	73,346	105,076	76,592
Trade and other payables	179,430	168,393	223,971
Deferred revenue	16,485	-	-
Tax payable	-	-	2,114
Liabilities of disposal group classified as held for sale	12,989	-	-
	<b>282,282</b>	<b>273,501</b>	<b>302,677</b>
<b>Net current assets/(liabilities)</b>	<b>91,350</b>	<b>(91,553)</b>	<b>(52,009)</b>



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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2019**  
(The figures have not been audited)

	<b>As at 31-Dec-19 RM'000</b>	<b>As at 31-Dec-18 RM'000 Restated</b>	<b>As at 1-Jan-18 RM'000 Restated</b>
<b>Non-current liabilities</b>			
Retirement benefit obligations	5,112	4,962	4,293
Lease liability	51,489	62,077	-
Borrowings	392,939	377,748	714,224
Other payable	1,370	-	49,784
Deferred tax liabilities	157,545	201,321	200,668
	<b>608,455</b>	<b>646,108</b>	<b>968,969</b>
<b>Total liabilities</b>	<b>890,737</b>	<b>919,609</b>	<b>1,271,646</b>
<b>Net assets</b>	<b>735,922</b>	<b>930,143</b>	<b>1,067,792</b>
<b>Equity attributable to owners of the parent</b>			
Share capital	350,713	350,713	345,017
Retained earnings	401,929	617,385	744,334
Other reserves	6,485	(18,635)	(6,771)
	<b>759,127</b>	<b>949,463</b>	<b>1,082,580</b>
<b>Non-controlling interests</b>	<b>(23,205)</b>	<b>(19,320)</b>	<b>(14,788)</b>
<b>Total equity</b>	<b>735,922</b>	<b>930,143</b>	<b>1,067,792</b>
<b>Total equity and liabilities</b>	<b>1,626,659</b>	<b>1,849,752</b>	<b>2,339,438</b>
Net assets per share (RM)	0.44	0.56	0.71

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements)



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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**

(The figures have not been audited)

	Attributable to owners of the parent								Non-controlling interests RM'000
	Non-distributable			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	Foreign currency reserve RM'000	Fair value adjustment reserve RM'000	Transaction with non-controlling interest RM'000	
<b>Opening balance at 1 January 2019</b>	947,222	959,937	350,713	642,657	(33,433)	(50,944)	17,542	(31)	(12,715)
Prior year adjustment	(17,079)	(10,474)	-	(25,272)	14,798	14,798	-	-	(6,605)
	930,143	949,463	350,713	617,385	(18,635)	(36,146)	17,542	(31)	(19,320)
Loss for the period	(219,341)	(215,456)	-	(215,456)	-	-	-	-	(3,885)
<b>Other comprehensive loss</b>									
Fair value movement of other investment	11,414	11,414	-	-	11,414	-	11,414	-	-
Foreign currency translation	13,706	13,706	-	-	13,706	13,706	-	-	-
Other comprehensive income for the period, net of tax	25,120	25,120	-	-	25,120	13,706	11,414	-	-
Total comprehensive loss for the period, net of tax	(194,221)	(190,336)	-	(215,456)	25,120	13,706	11,414	-	(3,885)
<b>Closing balance at 31 December 2019</b>	735,922	759,127	350,713	401,929	6,485	(22,440)	28,956	(31)	(23,205)



TDM BERHAD (Company No 6265-P)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

(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	Foreign currency reserve RM'000	Fair value adjustment reserve RM'000	Transaction with non-controlling interest RM'000	Non-controlling interests RM'000
<b>Opening balance at 1 January 2018</b>	1,055,605	1,065,461	345,017	725,607	(5,163)	(48,468)	43,336	(31)	(9,856)
Prior year adjustment	12,187	17,119	-	18,727	(1,608)	(1,608)	-	-	(4,932)
	1,067,792	1,082,580	345,017	744,334	(6,771)	(50,076)	43,336	(31)	(14,788)
Loss for the period	(123,191)	(118,659)	-	(118,659)	-	-	-	-	(4,532)
<b>Other comprehensive income</b>									
Fair value movement of investment in securities	(4)	(4)	-	-	(4)	-	(4)	-	-
Fair value movement of other investment	(25,790)	(25,790)	-	-	(25,790)	-	(25,790)	-	-
Foreign currency translation	13,930	13,930	-	-	13,930	13,930	-	-	-
Other comprehensive loss for the period, net of tax	(11,864)	(11,864)	-	-	(11,864)	13,930	(25,794)	-	-
Total comprehensive loss for the period, net of tax	(135,055)	(130,523)	-	(118,659)	(11,864)	13,930	(25,794)	-	(4,532)
<b>Transactions with owners</b>									
Issuance of shares pursuant to dividend reinvestment scheme	-	-	5,696	(5,696)	-	-	-	-	-
Dividends paid on ordinary shares	(2,594)	(2,594)	-	(2,594)	-	-	-	-	-
Total transactions with owners	(2,594)	(2,594)	5,696	(8,290)	-	-	-	-	-
<b>Closing balance at 31 December 2018</b>	930,143	949,463	350,713	617,385	(18,635)	(36,146)	17,542	(31)	(19,320)

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements)



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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

(The figures have not been audited)

	<b>Financial Year Ended</b>	
	<b>31-Dec-19</b>	<b>31-Dec-18</b>
	<b>RM'000</b>	<b>RM'000</b>
		<b>Restated</b>
<b>Cash flows from operating activities</b>		
Loss before tax from continuing operations	(38,578)	(32,787)
Loss before tax from discontinued operation	(177,588)	(81,058)
	<u>(216,166)</u>	<u>(113,845)</u>
Adjustments for:		
Interest expense	20,690	25,931
Depreciation of property, plant and equipment	38,457	29,448
Amortisation of bearer plant	48,495	45,467
Amortisation of intangible asset	858	858
Amortisation of investment property	202	1,263
Amortisation of finance lease	526	2,598
Property, plant and equipment written off	33,747	-
Inventories written off	4,900	5,208
Expected credit losses of receivables	2,053	4,029
Impairment of property, plant and equipment	7,812	39,635
Impairment of inventories	-	1,664
Impairment of other receivable	65,391	-
Loss on disposal of plant, property and equipment	-	5
Gain on disposal of investment property	(1,714)	-
Dividend income	(1,225)	(2,139)
Unrealised gain on the foreign exchange of borrowings	-	(450)
Reversal of expected credit losses of receivables	-	(598)
Profit from Al-Mudharabah	(655)	(2,140)
Interest income	-	(26,744)
Provision for/(reversal of) short term accumulating compensated absences	373	(8)
Provision for retirement benefit obligations	659	426
Fair value changes of amount due from plasma	10,676	9,901
Reversal of fair value changes of amount due to sublessees	-	2,198
Fair value changes in biological assets	(826)	1,959
Total adjustments	<u>230,419</u>	<u>138,511</u>
Operating cash flows before changes in working capital	<u>14,253</u>	<u>24,666</u>



**TDM BERHAD** (Company No 6265-P)  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**  
(The figures have not been audited)

	<b>Financial Year Ended</b>	
	<b>31-Dec-19</b>	<b>31-Dec-18</b>
	<b>RM'000</b>	<b>RM'000</b>
		<b>Restated</b>
<b>Cash flows from operating activities (cont'd)</b>		
<u>Changes in working capital</u>		
Decrease/(increase) in inventories	9,269	(494)
Decrease in receivables	65,841	45,101
Increase/(decrease) in payables	9,452	(71,427)
Total changes in working capital	<u>84,562</u>	<u>(26,820)</u>
Cash flows from operations	98,815	(2,154)
Interest paid	(20,690)	(24,708)
Interest received	655	2,147
Taxes paid	(12,245)	(17,400)
Tax refund	4,335	380
Retirement benefits paid	(64)	-
Annual leave paid	(19)	-
Net cash flows generated from/(used in) operating activities	<u>70,787</u>	<u>(41,735)</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(48,631)	(30,689)
Dividend received	1,225	2,139
Proceeds from disposal of investment property	12,000	-
Withdrawal of deposit with licensed banks	33	1,513
Increase/(decrease) in deposit with licensed banks pledged as securities for certain banking facilities	2	(1,001)
Redemption of investment in fixed income securities	-	404,981
Net cash flows (used in)/generated from investing activities	<u>(35,371)</u>	<u>376,943</u>



**TDM BERHAD** (Company No 6265-P)  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2019**  
(The figures have not been audited)

	<b>Financial Year Ended</b>	
	<b>31-Dec-19</b>	<b>31-Dec-18</b>
	<b>RM'000</b>	<b>RM'000</b>
		<b>Restated</b>
<b>Cash flows from financing activities</b>		
Drawdowns of bank borrowings	48,046	49,957
Drawdowns of hire purchase facilities	1,157	972
Repayments of bank borrowings	(66,429)	(35,964)
Repayments of hire purchase facilities	(2,934)	(2,588)
Repayments of bank overdraft	(1,911)	(1,845)
Settlement of IDR Notes	-	(376,884)
Drawdowns of CPO advance	-	-
Dividend paid	-	(2,594)
Net cash flows used in financing activities	<u>(22,071)</u>	<u>(368,946)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	13,345	(33,738)
<b>Cash and cash equivalents at 1 January</b>	39,291	73,124
Effect of foreign exchange rate changes	17	(95)
<b>Cash and cash equivalents at end of the year</b>	<u>52,653</u>	<u>39,291</u>
Cash and cash equivalents at end of the period comprise of the following:		
Cash and banks balances	89,045	75,718
Less: Deposits pledged for bank facilities	(34,235)	(34,237)
Less: Deposits with licensed banks with maturity period more than 3 months	<u>(2,157)</u>	<u>(2,190)</u>
Cash and cash equivalents	<u>52,653</u>	<u>39,291</u>

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements)



**TDM BERHAD** (Company No 6265-P)  
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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 2018, and the prior year adjustments in Note 21. 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 2018.

The interim financial statements of the Group for the financial period ended 31 December 2019 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 2018, except MFRS 16 Leases which the Group adopted from 1 January 2019.

MFRS 16 supersedes MFRS 117 Leases, IC Interpretation 4, Determining whether an Arrangement contains a Lease, IC Interpretation 115, Operating Leases—Incentives and IC Interpretation 127, Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.

The Group has applied the standard using the modified retrospective approach, under which the cumulative effect of initial recognition is recognised in the retained earnings.

Lessor accounting under MFRS 16 is substantially unchanged from MFRS 117, therefore did not have an impact for lease where the Group is the lessor.

As for lessee accounting, the adoption of MFRS 16 does not have a material effect on the Group's financial statements. Minor adjustments arising from the initial application of the new lease model in the opening balances as at 1 January 2019 are disclosed as below:

**Impact of adoption of MFRS 16 to  
opening balance 1 January 2019  
RM'000**

Right of use asset	60,392
Lease liability	(62,109)
	<u>(1,717)</u>
Retained earnings	<u>1,717</u>

Any other revised MFRSs, amendments to MFRS and IC Interpretations which are mandatory for companies with financial periods beginning on or after 1 January 2019 did not give rise to any significant effects on the financial statements of the Group.

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

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

<b>MFRS, IC Interpretation and Amendments to IC Interpretations</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
MFRS 17: Insurance Contracts	1 January 2021
Amendments to MFRS 10 and MFRS 128 Sale and 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 2018 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 2019.

## **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.

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## 8. Segmental reporting

The segments are reported in a manner that is more consistent with internal reporting provided to the chief operating decision maker 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 2019

	Plantation Malaysia RM'000	Healthcare RM'000	Others RM'000	Continuing operations RM'000	Discontinued operation RM'000
Total revenue	58,754	65,101	-	123,855	713
Intersegment revenue	(2,282)	(256)	-	(2,538)	-
<b>External revenue</b>	<b>56,472</b>	<b>64,845</b>	<b>-</b>	<b>121,317</b>	<b>713</b>
<b>Adjusted EBITDA</b>	<b>53,231</b>	<b>10,927</b>	<b>(15)</b>	<b>64,143</b>	<b>79,754</b>
Gain on disposal of investment property	1,733	-	-	1,733	-
Loss on disposal of property, plant and equipment	-	(19)	-	(19)	-
Fair value changes of amount due from plasma	-	-	-	-	(10,676)
Fair value changes in biological assets	(438)	-	-	(438)	-
Impairment of property, plant and equipment	(7,812)	(7)	-	(7,819)	(44,321)
Impairment of amount due from plasma	-	-	-	-	(65,391)
Inventories written off	-	(85)	-	(85)	-
Expected credit losses of receivables	-	(358)	-	(358)	-
<b>EBITDA</b>	<b>46,714</b>	<b>10,458</b>	<b>(15)</b>	<b>57,157</b>	<b>(40,634)</b>
Depreciation & amortisation	(35,592)	(3,591)	-	(39,183)	(5,671)
Profit from Al-Mudharabah	120	180	-	300	-
Interest income	-	-	-	-	1,904
Finance costs	(5,816)	(1,277)	-	(7,093)	-
<b>Profit/(loss) before tax</b>	<b>5,426</b>	<b>5,770</b>	<b>(15)</b>	<b>11,181</b>	<b>(44,401)</b>

### 3 months ended 31 December 2018

	Plantation Malaysia RM'000	Healthcare RM'000	Others RM'000	Continuing operations RM'000	Discontinued operation RM'000
Total revenue	46,353	59,446	-	105,799	5
Intersegment revenue	(1,537)	(322)	-	(1,859)	-
<b>External revenue</b>	<b>44,816</b>	<b>59,124</b>	<b>-</b>	<b>103,940</b>	<b>5</b>
<b>Adjusted EBITDA</b>	<b>2,630</b>	<b>10,633</b>	<b>(2)</b>	<b>13,261</b>	<b>33,383</b>
Unrealised loss on the foreign exchange of borrowings	450	-	-	450	-
Fair value changes of amount due from plasma	-	-	-	-	(9,901)
Reversal of fair value change of amount due to sublessees	2,198	-	-	2,198	-
Fair value changes in biological assets	3,572	-	-	3,572	-
Impairment of property, plant and equipment	-	-	-	-	(39,635)
Impairment of inventories	-	-	-	-	(1,664)
Expected credit losses of receivables	-	(772)	-	(772)	-
<b>EBITDA</b>	<b>8,850</b>	<b>9,861</b>	<b>(2)</b>	<b>18,709</b>	<b>(17,817)</b>
Depreciation & amortisation	(43,326)	(4,105)	-	(47,431)	(5,547)
Profit from Al-Mudharabah	1,019	271	-	1,290	-
Interest income	4,540	-	-	4,540	3,329
Finance costs	(4,183)	(1,308)	-	(5,491)	(120)
<b>(Loss)/profit before tax</b>	<b>(33,100)</b>	<b>4,719</b>	<b>(2)</b>	<b>(28,383)</b>	<b>(20,155)</b>

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

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

**12 months ended 31 December 2019**

	<b>Plantation Malaysia RM'000</b>	<b>Healthcare RM'000</b>	<b>Others RM'000</b>	<b>Continuing operations RM'000</b>	<b>Discontinued operation RM'000</b>
Total revenue	203,532	237,512	-	441,044	931
Intersegment revenue	(8,253)	(1,066)	-	(9,319)	-
<b>External Revenue</b>	<b>195,279</b>	<b>236,446</b>	<b>-</b>	<b>431,725</b>	<b>931</b>
<b>Adjusted EBITDA</b>	<b>39,736</b>	<b>37,594</b>	<b>(22)</b>	<b>77,308</b>	<b>(13,806)</b>
Gain on disposal of investment property	1,733	-	-	1,733	-
Loss on disposal of property, plant and equipment	-	(19)	-	(19)	-
Fair value changes of amount due from plasma	-	-	-	-	(10,676)
Fair value changes of biological assets	826	-	-	826	-
Impairment of property, plant and equipment	(7,812)	(7)	-	(7,819)	(44,321)
Impairment of amount due from plasma	-	-	-	-	(65,391)
Property, plant and equipment written off	-	-	-	-	(33,747)
Inventories written off	-	(138)	-	(138)	(4,771)
Expected credit losses of receivables	-	(2,014)	-	(2,014)	-
<b>EBITDA</b>	<b>34,483</b>	<b>35,416</b>	<b>(22)</b>	<b>69,877</b>	<b>(172,712)</b>
Depreciation & amortisation	(73,527)	(15,042)	-	(88,569)	(13,085)
Profit from Al-Mudharabah	279	525	-	804	-
Interest income	-	-	-	-	8,202
Finance costs	(15,878)	(4,812)	-	(20,690)	-
<b>(Loss)/profit before tax</b>	<b>(54,643)</b>	<b>16,087</b>	<b>(22)</b>	<b>(38,578)</b>	<b>(177,595)</b>
<b>31 December 2019</b>					
Assets	<b>1,146,385</b>	<b>286,524</b>	<b>2,525</b>	<b>1,435,434</b>	<b>191,225</b>
Liabilities	<b>733,276</b>	<b>142,996</b>	<b>1,476</b>	<b>877,748</b>	<b>12,989</b>
	MYR				IDR
Exchange rate ratio	1.00				3,397

**12 months ended 31 December 2018**

	<b>Plantation Malaysia RM'000</b>	<b>Healthcare RM'000</b>	<b>Others RM'000</b>	<b>Continuing operations RM'000</b>	<b>Discontinued operation RM'000</b>
Total revenue	201,980	210,891	-	412,871	117
Intersegment revenue	(7,033)	(1,257)	-	(8,290)	-
<b>External Revenue</b>	<b>194,947</b>	<b>209,634</b>	<b>-</b>	<b>404,581</b>	<b>117</b>
<b>Adjusted EBITDA</b>	<b>7,589</b>	<b>32,242</b>	<b>(13)</b>	<b>39,818</b>	<b>(28,779)</b>
Unrealised gain on the foreign exchange of borrowings	450	-	-	450	-
Fair value changes of amount due from plasma	-	-	-	-	(9,901)
Reversal of fair value change of amount due to sublessees	2,198	-	-	2,198	-
Fair value changes of biological assets	1,959	-	-	1,959	-
Impairment of property, plant and equipment	-	-	-	-	(39,635)
Impairment of inventories	-	-	-	-	(1,664)
Expected credit losses of receivables	-	(3,431)	-	(3,431)	-
<b>EBITDA</b>	<b>12,196</b>	<b>28,811</b>	<b>(13)</b>	<b>40,994</b>	<b>(79,979)</b>
Depreciation & amortisation	(64,784)	(14,850)	-	(79,634)	(6,537)
Profit from Al-Mudharabah	1,603	534	-	2,137	-
Interest income	26,747	-	-	26,747	6,900
Finance costs	(18,924)	(4,107)	-	(23,031)	(1,224)
<b>(Loss)/profit before tax</b>	<b>(43,162)</b>	<b>10,388</b>	<b>(13)</b>	<b>(32,787)</b>	<b>(80,840)</b>
<b>31 December 2018</b>					
Assets	<b>1,157,494</b>	<b>268,209</b>	<b>2,537</b>	<b>1,428,240</b>	<b>421,512</b>
Liabilities	<b>784,575</b>	<b>132,707</b>	<b>1,466</b>	<b>918,748</b>	<b>861</b>
	MYR				IDR
Exchange rate ratio	1.00				3,493

**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 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 2019 are as follows:

	<b>RM '000</b>
Authorised by the Directors and contracted	-
Authorised by the Directors but not contracted	129,650
	<u>129,650</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 2019 versus Q4 2018**

	Q4 2019 RM'000	Q4 2018 RM'000 Restated	Changes RM'000	%
<b>REVENUE</b>				
Plantation	56,472	44,816	11,656	26%
Healthcare	64,845	59,124	5,721	10%
<b>Total revenue</b>	<b>121,317</b>	<b>103,940</b>	<b>17,377</b>	<b>17%</b>
<b>PROFIT/(LOSS) BEFORE TAX</b>				
Plantation	53,231	2,630	50,601	1924%
Healthcare	10,927	10,633	294	3%
Others	(15)	(2)	(13)	-100%
<b>Adjusted EBITDA</b>	<b>64,143</b>	<b>13,261</b>	<b>50,882</b>	<b>384%</b>
Gain on disposal of investment property	1,733	-	1,733	100%
Loss on disposal of property, plant and equipment	(19)	-	(19)	-100%
Unrealised gain on foreign exchange of borrowings	-	450	(450)	100%
Reversal of fair value change of amount due to sublessees	-	2,198	(2,198)	-100%
Fair value changes of biological assets	(438)	3,572	(4,010)	-112%
Impairment of property, plant and equipment	(7,819)	-	(7,819)	-100%
Inventories written off	(85)	-	(85)	-100%
Expected credit losses of receivables	(358)	(772)	414	54%
<b>EBITDA</b>	<b>57,157</b>	<b>18,709</b>	<b>38,448</b>	<b>206%</b>
Depreciation & amortisation	(39,183)	(47,431)	8,248	17%
Profit from Al-Mudharabah	300	1,290	(990)	-77%
Interest income	-	4,540	(4,540)	-100%
Finance costs	(7,093)	(5,491)	(1,602)	-29%
<b>Profit/(loss) before tax from continuing operations</b>	<b>11,181</b>	<b>(28,383)</b>	<b>39,564</b>	<b>139%</b>

The Group's revenue for the three months ended 31 December 2019 rose by 17% compared to the previous corresponding quarter, mainly due to stronger revenue growth from both Plantation and Healthcare business.

**PLANTATION DIVISION**

The Plantation Division recorded higher revenue mainly due to:

- a) Higher CPO sales volume by 10%; and
- b) Higher average realised price of CPO by 19%.

Our Malaysian plantation business registered an adjusted EBITDA of RM53.2 million during the quarter, compared to RM2.6 million in same quarter last year, driven by stronger operating performance.

**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 2019 versus Q4 2018 (cont'd.)**

Below are the key operating statistics for Plantation division:

<b>Plantation Malaysia Statistics</b>	<b>Q4 2019</b>	<b>Q4 2018</b>	<b>Changes</b>	<b>%</b>
CPO sales volume (mt)	22,022	19,955	2,067	10%
PK sales volume (mt)	4,799	5,093	(294)	-6%
FFB production (mt)	104,441	114,317	(9,876)	-9%
CPO average price (RM)	2,385	2,008	377	19%
PK average price (RM)	1,517	1,658	(141)	-9%
Mature area (hectare)	26,341	25,740	601	2%
Immature area (hectare)	4,954	5,606	(652)	-12%
Oil extraction rate (OER)	18.81%	18.95%	-0.14%	-1%
Kernel extraction rate (KER)	4.63%	4.71%	-0.08%	-2%

**HEALTHCARE DIVISION**

Our Healthcare Division continue to show strong performance during the quarter with 10% growth in revenue. Meanwhile, the division registered adjusted EBITDA of RM10.9 mil during the quarter. The performance was supported with higher inpatient days and higher inpatient number by 13% and 9% respectively.

Below are the key operating statistics for Healthcare division:

<b>Healthcare Statistics</b>	<b>Q4 2019</b>	<b>Q4 2018</b>	<b>Changes</b>	<b>%</b>
Number of inpatient	6,875	6,294	581	9%
Number of outpatient	44,838	44,189	649	1%
Inpatient days	23,191	20,516	2,675	13%
Occupancy rate (%)	76%	74%	2%	3%
Average length of stay (day)	3.04	3.03	0.01	0.3%
Number of bed	407	407	-	-
Number of operating bed	336	303	33	11%
Average revenue per inpatient (RM)	7,278	7,425	(147)	-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 - FY 2019 versus FY 2018**

	FY 2019 RM'000	FY 2018 RM'000 Restated	Changes RM'000	%
<b>REVENUE</b>				
Plantation	195,279	194,947	332	0.2%
Healthcare	236,446	209,634	26,812	13%
<b>Total revenue</b>	<b>431,725</b>	<b>404,581</b>	<b>27,144</b>	<b>7%</b>
<b>LOSS BEFORE TAX</b>				
Plantation	39,736	7,589	32,147	424%
Healthcare	37,594	32,242	5,352	17%
Others	(22)	(13)	(9)	-69%
<b>Adjusted EBITDA</b>	<b>77,308</b>	<b>39,818</b>	<b>37,490</b>	<b>94%</b>
Gain on disposal of investment property	1,733	-	1,733	100%
Loss on disposal of property, plant and equipment	(19)	-	(19)	100%
Unrealised gain on foreign exchange of borrowings	-	450	(450)	-100%
Reversal of fair value change of amount due to sublessees	-	2,198	(2,198)	-100%
Fair value changes of biological assets	826	1,959	(1,133)	-58%
Impairment of property, plant and equipment	(7,819)	-	(7,819)	-100%
Inventories written off	(138)	-	(138)	-100%
Expected credit losses of receivables	(2,014)	(3,431)	1,417	41%
<b>EBITDA</b>	<b>69,877</b>	<b>40,994</b>	<b>28,883</b>	<b>70%</b>
Depreciation & amortisation	(88,569)	(79,634)	(8,935)	-11%
Profit from Al-Mudharabah	804	2,137	(1,333)	-62%
Interest income	-	26,747	(26,747)	-100%
Finance costs	(20,690)	(23,031)	2,341	10%
<b>Loss before tax from continuing operations</b>	<b>(38,578)</b>	<b>(32,787)</b>	<b>(5,791)</b>	<b>-18%</b>

The Group's revenue for the financial year ended 31 December 2019 rose by 7% compared to the previous year, mainly due to stronger revenue growth of our Healthcare business, which saw its revenue grew by 13%.

**PLANTATION DIVISION**

The Plantation Division recorded revenue of RM195.3 million during the year, slightly lower than RM194.9 recorded in the previous year, mainly due to:

- a) Lower average realised price of CPO by 8%; and
- b) Lower average realised price of PK by 33%.

This is partly offset by a stronger operating performance which saw CPO and PK sales volume increased by 14% and 11% respectively.

Our Malaysian Plantation business registered an adjusted EBITDA of RM39.7 million during the year, compared to RM7.6 million last year, driven by stronger operating performance.

**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 2019 versus FY 2018 (cont'd.)**

Below are the key operating statistics for Plantation division:

<b>Plantation Malaysia Statistics</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>Changes</b>	<b>%</b>
CPO sales volume (mt)	85,016	74,466	10,550	14%
PK sales volume (mt)	19,365	17,415	1,950	11%
FFB production (mt)	398,475	373,213	25,262	7%
CPO average price (RM)	2,129	2,313	(184)	-8%
PK average price (RM)	1,318	1,955	(637)	-33%
Mature area (hectare)	26,341	25,740	601	2%
Immature area (hectare)	4,954	5,606	(652)	-12%
Oil extraction rate (OER)	19.68%	19.32%	0.36%	2%
Kernel extraction rate (KER)	4.61%	4.61%	-	-

**HEALTHCARE DIVISION**

Our Healthcare Division continue to show strong performance during the year with 13% growth in revenue. Meanwhile, the division registered adjusted EBITDA of RM37.6 mil during the year or higher by 17% compared to the previous year.

The record performance was mainly due to higher inpatient number and inpatient days both by 8% respectively, compared to the previous year. In addition, the Healthcare Division also registered higher average revenue per inpatient by 8%, driven by improved case-mix of patient from the opening of Cathlab at Kuantan Medical Centre and also due to higher surgery cases.

Below are the key operating statistics for Healthcare division:

<b>Healthcare Statistics</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>Changes</b>	<b>%</b>
Number of inpatient	25,431	23,507	1,924	8%
Number of outpatient	169,820	168,576	1,244	1%
Inpatient days	82,352	76,115	6,237	8%
Occupancy rate (%)	67%	69%	-2%	-3%
Average length of stay (day)	2.96	2.97	(0.01)	-0.3%
Number of bed	407	407	-	-
Number of operating bed	336	303	33	11%
Average revenue per inpatient (RM)	7,092	6,591	501	8%

**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 2019 versus Q3 2019**

	<b>Q4 2019</b>	<b>Q3 2019</b>	<b>Changes</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
<b>REVENUE</b>				
Plantation	56,472	47,526	8,946	19%
Healthcare	64,845	58,401	6,444	11%
<b>Total revenue</b>	<b>121,317</b>	<b>105,927</b>	<b>15,390</b>	<b>15%</b>
<b>PROFIT/(LOSS) BEFORE TAX</b>				
Plantation	53,231	6,732	46,499	691%
Healthcare	10,927	9,193	1,734	19%
Others	(15)	-	(15)	-100%
<b>Adjusted EBITDA</b>	<b>64,143</b>	<b>15,925</b>	<b>48,218</b>	<b>303%</b>
Gain on disposal of investment property	1,733	-	1,733	-100%
Loss on disposal of property, plant and equipment	(19)	-	(19)	-100%
Fair value changes of biological assets	(438)	1,280	(1,718)	-134%
Impairment of property, plant and equipment	(7,819)	-	(7,819)	-100%
Inventories written off	(85)	(25)	(60)	240%
Expected credit losses	(358)	(560)	202	36%
<b>EBITDA</b>	<b>57,157</b>	<b>16,620</b>	<b>40,537</b>	<b>244%</b>
Depreciation & amortisation	(39,183)	(14,790)	(24,393)	-165%
Profit from Al-Mudharabah	300	168	132	79%
Finance costs	(7,093)	(5,704)	(1,389)	-24%
<b>Profit/(loss) before tax from continuing operations</b>	<b>11,181</b>	<b>(3,706)</b>	<b>14,887</b>	<b>402%</b>

The Group's revenue for the three months ended 31 December 2019 was higher by 15% compared to the immediate preceding quarter due to higher revenue growth from both Plantation and Healthcare businesses.

**PLANTATION DIVISION**

The Plantation Division recorded higher revenue by 19% mainly due to;

- a) Higher average realized prices of CPO and PK prices by 15% and 25% respectively.
- b) Higher sales volume of CPO by 4% and partly offset by lower PK sales volume by 2%.

Our Plantation business registered an adjusted EBITDA of RM53.2 mil during the 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 2019 versus Q3 2019 (cont'd.)**

Below are the key operating statistics for Plantation division:

<b>Plantation Malaysia Statistics</b>	<b>Q4 2019</b>	<b>Q3 2019</b>	<b>Changes</b>	<b>%</b>
CPO sales volume (mt)	22,022	21,193	829	4%
PK sales volume (mt)	4,799	4,905	(106)	-2%
FFB production (mt)	104,441	96,389	8,052	8%
CPO average price (RM)	2,385	2,066	319	15%
PK average price (RM)	1,517	1,213	304	25%
Mature area (hectare)	26,341	26,341	-	-
Immature area (hectare)	4,954	4,954	-	-
Oil extraction rate (OER)	18.81%	20.27%	-1.46%	-7%
Kernel extraction rate (KER)	4.63%	4.53%	0.10%	2%

**HEALTHCARE DIVISION**

Healthcare Division recorded 11% increased in revenue mainly due to higher inpatient and outpatient number by 11% and 10% respectively compared to the immediate preceding quarter. In addition, inpatient days and occupancy rate also saw healthy increased by 18% and 7% respectively compared to the immediate preceding quarter.

Healthcare Division's adjusted EBITDA has increased by 19% compared to Q3 2019.

Below are the key operating statistics for Healthcare division:

<b>Healthcare Statistics</b>	<b>Q4 2019</b>	<b>Q3 2019</b>	<b>Changes</b>	<b>%</b>
Number of inpatient	6,875	6,208	667	11%
Number of outpatient	44,838	40,627	4,211	10%
Inpatient days	23,191	19,685	3,506	18%
Occupancy rate (%)	76%	71%	5%	7%
Average length of stay (day)	3.04	2.95	0.09	3%
Number of bed	407	407	-	-
Number of operating bed	328	303	25	8%
Average revenue per inpatient (RM)	7,278	7,327	(49)	-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**

**Plantation**

The palm prices continued its momentum and went above RM3,100 level in early January 2020. However, news on the Coronavirus disease 2019 (Covid-19) outbreak in Wuhan, China, have shattered the rally and pressured down the palm oil prices. CPO price nosedived RM400 towards RM2,600 per mt level within just two days.

However, we believe year 2020 will still be better year for CPO price supported by low production, low stock level, on-going higher biodiesel mandates and strong demand.

(a) Malaysia Plantation

Our annual replanting program is progressing well since year 2012, in our effort to rejuvenate our estates in Terengganu. Currently 40% of our palms are in the age bracket of immature and young, which will contribute to higher production and productivity in the next two years. In addition, the proposed acquisition of 70% stake in THP-YT Plantation Sdn Bhd is an important step in our strategic direction to expand locally and also to improve the average age profile of TDM Group.

(a) Indonesia Plantation

While the rehabilitation is making good progress, the intended divestment process is also on-going as the Group is continuously exploring options to ensure stronger Group's balance sheet and sustainable growth to the Group's earnings. If and when there are material developments, the Company will, in compliance with the applicable rules, make relevant announcement.

The Group is optimistic on the long-term fundamentals of the industry and will remain focused in improving productivity and optimizing production cost. We are committed to our sustainability agenda in ensuring our growth is benefiting our people, planet and stakeholders.

**Healthcare**

We are optimistic that our Healthcare Division growth will continue to be supported by our capacity expansion and introduction of new services, despite of challenging economic environment and entry of new players to the industry that will continue to weigh on the Healthcare sector.

The increase in the number of beds at Kuala Terengganu Specialist Hospital ("KTS") to 122 (from the existing 92 beds) and the recent opening of Cathlab at Kuantan Medical Centre ("KMC") will provide positive contribution to the Group in the year 2020. With the recent success of Cathlab services at KMC, we are in the process of opening our second Cathlab at KTS.

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

**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 2019.

**18. Loss for the year**

	<b>Financial year ended</b>	
	<b>31-Dec-19</b>	<b>31-Dec-18</b>
	<b>RM'000</b>	<b>RM'000</b>
		<b>Restated</b>
<b>The following amounts have been included in arriving at loss before tax from continuing operations:</b>		
Interest expense	20,690	25,931
Profit from Al-Mudharabah	(655)	(2,140)
Interest income	-	(26,744)
Dividend income	(1,225)	(2,139)
Depreciation of property, plant and equipment	38,457	29,448
Amortisation of bearer plant (Note a)	48,495	45,467
Amortisation of intangible asset	858	858
Amortisation of investment property	202	1,263
Amortisation of finance lease	526	2,598
Inventories written off	4,900	5,208
Expected credit losses	2,053	4,029
Impairment of property, plant and equipment	7,812	-
Impairment of inventories	-	1,664
Reversal of expected credit losses of receivables	-	(598)
Reversal fair value changes of amount due to sublessees	-	2,198
Fair value changes of biological assets	(826)	1,959
Provision for/(reversal of) short term accumulating compensated absences	373	(8)
Provision for retirement benefit obligations	659	426
Unrealised loss on the foreign exchange of borrowings	-	(450)
Loss on disposal of plant, property and equipment	-	5
Gain on disposal of investment property	(1,714)	-

## 18. Loss for the year (cont'd)

### Note a) Amortisation of bearer plant

The Group has prepared financial statements that comply with MFRS applicable as at 31 December 2018, together with the comparative period data for the year ended 31 December 2017, as further disclosed in Note 21(A).

The management has re-assessed the deemed costs used as at transition date of 1 January 2017 and resulted significant understatement of amortisation of bearer plant. The effect of re-assessment are summarised as follows:

	<b>2017</b>	<b>2018</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Increase in amortisation expense:	27,009	21,252	N/A
As per restated/unaudited	51,364	45,467	48,495

## 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 period to date</b>	
	<b>31-Dec-19</b>	<b>31-Dec-18</b>	<b>31-Dec-19</b>	<b>31-Dec-18</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Current income tax	(5,992)	1,483	3,831	11,880
(Over)/underprovision of income tax in prior year	(280)	977	(3,113)	3,176
	<u>(6,272)</u>	<u>2,460</u>	<u>718</u>	<u>15,056</u>
Deferred tax:				
Relating to origination and reversal of temporary differences	(7,179)	1,410	(8,921)	(3,078)
Under/(over) provision of deferred tax prior year	10,516	(10,689)	5,035	(21,542)
Income tax	<u>(2,935)</u>	<u>(6,819)</u>	<u>(3,168)</u>	<u>(9,564)</u>

Income tax was calculated at the Malaysian statutory tax rate of 24% (2018: 24%) of the estimated assessable profit for the period.

The effective tax rate of the Group for the current quarter and current period to date was lower than the statutory tax rate of the respective period principally due to recognition of deferred tax asset during the period.

## 20. Discontinued operations

As at 31 December 2019, the operation of our Indonesia subsidiaries, namely, PT Rafi Kamajaya Abadi ('PT RKA') and PT Sawit Rezki Abadi ('PT SRA') were classified as a disposal group held for sale as the efforts to sell the disposal group have commenced and the sale is expected to be completed within twelve (12) months.

	<b>2019</b>	<b>2018</b>
	<b>RM'000</b>	<b>RM'000</b>
Revenue	931	118
Cost of sales	(20,187)	(19,038)
<b>Gross loss</b>	<u>(19,256)</u>	<u>(18,920)</u>
Other income	10,737	6,867
Administrative expenses	(169,069)	(40,734)
Finance costs	-	(28,271)
<b>Loss before tax</b>	<u>(177,588)</u>	<u>(81,058)</u>
Income tax (expense)/benefit	(7)	218
<b>Loss for the year from discontinued operations, net of tax</b>	<u>(177,595)</u>	<u>(80,840)</u>

Assets and liabilities of PT RKA & PT SRA classified as held for sale are as below:

	<b>2019</b>
	<b>RM'000</b>
<b>Assets</b>	
Property, plant and equipment	190,534
Inventories	293
Other receivables	108
Cash and bank balances	290
Assets held for sale	<u>191,225</u>
<b>Liabilities</b>	
Other payables	(7,554)
Tax payable	-
Deferred tax liabilities	(5,435)
Liabilities directly associated with assets held for sale	<u>(12,989)</u>
<b>Net assets directly associated with disposal group</b>	<u>178,236</u>

The plantation assets are carried at lower of its carrying value and fair value less cost to sell. The estimated fair value less cost to sell is based on management estimates of the resale value of the assets, including taking into consideration market valuation by external, independent professional valuer and other factors such as recent experience in the location and category of assets being valued.

## 21. Prior year adjustments

Certain errors affecting the financial position and results of the prior year have been adjusted retrospectively in accordance with the requirements of MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors.

The prior year adjustments are in relation to the following errors:

- (A) The use of fair value as deemed cost arising from the adoption of MFRS 1: First-time Adoption of Malaysia Financial Reporting Standards;
- (B) The computation of finance lease liabilities in accordance with MFRS 117: Leases;
- (C) Allocation of share of profits arising from Sublessees Scheme managed by the Group;
- (D) Classification of short term borrowings;
- (E) Interest capitalisation;
- (F) Consolidation entries; and
- (G) Related income tax effects arising from various errors above.

The effect of the prior year adjustments is stated below. In view of the significance of the prior year adjustments, the Group wishes to announce that the Audited Financial Statements for the financial year ended 31 December 2018 which were issued on 15 April 2019 cannot be relied upon.

### (i) Reconciliation of equity as at 1 January 2018

	<b>1.1.2018</b>		<b>1.1.2018</b>
	<b>As previously</b>	<b>Adjustments</b>	<b>As restated</b>
	<b>stated</b>	<b>RM'000</b>	<b>RM'000</b>
	<b>RM'000</b>		<b>RM'000</b>
<b>Statements of financial position</b>			
<b>Group</b>			
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	1,537,430	54,184	1,591,614
Intangible asset	7,179	(548)	6,631
Investment properties	6,631	4,055	10,686
Goodwill	991	-	991
Other investments	319,700	43,384	363,084
Investments in securities	48	-	48
Other receivables	109,904	(134)	109,770
Deferred tax assets	15,449	(9,503)	5,946
	<u>1,997,332</u>	<u>91,438</u>	<u>2,088,770</u>
<b>Current assets</b>			
Biological assets	5,000	2,838	7,838
Inventories	33,280	4,189	37,469
Trade and other receivables	75,379	12,199	87,578
Prepayments	2,052	(527)	1,525
Tax recoverable	4,588	3,359	7,947
Cash and bank balances	108,217	94	108,311
	<u>228,516</u>	<u>22,152</u>	<u>250,668</u>
<b>Total assets</b>	<u>2,225,848</u>	<u>113,590</u>	<u>2,339,438</u>

**21. Prior year adjustments (cont'd)**

**(i) Reconciliation of equity as at 1 January 2018 (cont'd)**

	<b>1.1.2018</b>		<b>1.1.2018</b>
	<b>As previously</b>	<b>Adjustments</b>	<b>As restated</b>
	<b>stated</b>	<b>RM'000</b>	<b>RM'000</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Statements of financial position (cont'd)</b>			
<b>Group</b>			
<b>Equity and liabilities</b>			
<b>Current liabilities</b>			
Loans and borrowings	41,592	35,000	76,592
Trade and other payables	172,696	51,275	223,971
Tax payable	2,392	(278)	2,114
	<u>216,680</u>	<u>85,997</u>	<u>302,677</u>
Net current assets/(liabilities)	<u>11,836</u>	<u>(63,845)</u>	<u>(52,009)</u>
<b>Non-current liabilities</b>			
Retirement benefit obligations	4,293	-	4,293
Loans and borrowings	749,411	(35,187)	714,224
Other payable	87,710	(37,926)	49,784
Deferred tax liabilities	155,533	45,135	200,668
	<u>996,947</u>	<u>(27,978)</u>	<u>968,969</u>
<b>Total liabilities</b>	<u>1,213,627</u>	<u>58,019</u>	<u>1,271,646</u>
<b>Net assets</b>	<u>1,012,221</u>	<u>55,571</u>	<u>1,067,792</u>
<b>Equity attributable to owners of the parent</b>			
Share capital	345,017	-	345,017
Retained earnings	725,607	18,727	744,334
Other reserves	(48,547)	41,776	(6,771)
	<u>1,022,077</u>	<u>60,503</u>	<u>1,082,580</u>
<b>Non-controlling interests</b>	<u>(9,856)</u>	<u>(4,932)</u>	<u>(14,788)</u>
<b>Total equity</b>	<u>1,012,221</u>	<u>55,571</u>	<u>1,067,792</u>
<b>Total equity and liabilities</b>	<u>2,225,848</u>	<u>113,590</u>	<u>2,339,438</u>

**21. Prior year adjustments (cont'd)**

**(ii) Reconciliation of equity as at 31 December 2018**

	<b>31.12.2018</b>		<b>31.12.2018</b>
	<b>As previously</b>	<b>Adjustments</b>	<b>As restated</b>
	<b>stated</b>	<b>RM'000</b>	<b>RM'000</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Statements of financial position</b>			
<b>Group</b>			
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	1,640,814	(143,216)	1,497,598
Right of use asset	-	60,392	60,392
Intangible asset	6,321	-	6,321
Investment properties	10,217	4,067	14,284
Goodwill	991	-	991
Other investments	22,294	-	22,294
Investments in securities	44	-	44
Other receivables	65,880	-	65,880
Deferred tax assets	13,974	(13,974)	-
	<u>1,760,535</u>	<u>(92,731)</u>	<u>1,667,804</u>
<b>Current assets</b>			
Biological assets	3,041	932	3,973
Inventories	28,021	2,751	30,772
Trade and other receivables	93,501	(36,786)	56,715
Prepayments	1,847	(789)	1,058
Tax recoverable	6,984	6,728	13,712
Cash and bank balances	75,405	313	75,718
	<u>208,799</u>	<u>(26,851)</u>	<u>181,948</u>
<b>Total assets</b>	<u>1,969,334</u>	<u>(119,582)</u>	<u>1,849,752</u>
<b>Equity and liabilities</b>			
<b>Current liabilities</b>			
Lease liability	1,561	(1,529)	32
Loans and borrowings	58,156	46,920	105,076
Trade and other payables	140,320	28,073	168,393
Tax payable	1,263	(1,263)	-
	<u>201,300</u>	<u>72,201</u>	<u>273,501</u>
Net current assets/(liabilities)	<u>7,499</u>	<u>(99,052)</u>	<u>(91,553)</u>

**21. Prior year adjustments (cont'd)**

**(ii) Reconciliation of equity as at 31 December 2018 (cont'd)**

	<b>31.12.2018</b>		<b>31.12.2018</b>
	<b>As previously</b>	<b>Adjustments</b>	<b>As restated</b>
	<b>stated</b>	<b>RM'000</b>	<b>RM'000</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Statements of financial position (cont'd.)</b>			
<b>Group</b>			
<b>Non-current liabilities</b>			
Retirement benefit obligations	4,719	243	4,962
Lease liability	202,014	(139,937)	62,077
Loans and borrowings	427,929	(50,181)	377,748
Other payable	26,411	(26,411)	-
Deferred tax liabilities	159,739	41,582	201,321
	<u>820,812</u>	<u>(174,704)</u>	<u>646,108</u>
<b>Total liabilities</b>	<u>1,022,112</u>	<u>(102,503)</u>	<u>919,609</u>
<b>Net assets</b>	<u>947,222</u>	<u>(17,079)</u>	<u>930,143</u>
<b>Equity attributable to owners of the parent</b>			
Share capital	350,713	-	350,713
Retained earnings	642,657	(25,272)	617,385
Other reserves	(33,433)	14,798	(18,635)
	<u>959,937</u>	<u>(10,474)</u>	<u>949,463</u>
<b>Non-controlling interests</b>	<u>(12,715)</u>	<u>(6,605)</u>	<u>(19,320)</u>
<b>Total equity</b>	<u>947,222</u>	<u>(17,079)</u>	<u>930,143</u>
<b>Total equity and liabilities</b>	<u>1,969,334</u>	<u>(119,582)</u>	<u>1,849,752</u>

**21. Prior year adjustments (cont'd)**

**(iii) Reconciliation of profit or loss and comprehensive income for the year ended 31 December 2018**

	<b>31.12.2018</b>		<b>31.12.2018</b>
	<b>As previously</b>	<b>Adjustments</b>	<b>As restated</b>
	<b>stated</b>	<b>RM'000</b>	<b>RM'000</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Statements of comprehensive income</b>			
<b>Group</b>			
Revenue	404,698	1	404,699
Cost of sales	(285,534)	34,297	(319,831)
<b>Gross profit</b>	<u>119,164</u>	<u>34,296</u>	<u>84,868</u>
<b>Other items of income</b>			
Interest income	35,880	129	35,751
Other income	18,803	11,006	7,797
<b>Other items of expense</b>			
Distribution costs	(3,792)	(73)	(3,719)
Administrative expenses	(205,468)	(21,414)	(184,054)
Other expenses	(6,763)	(3,576)	(3,187)
Finance costs	(25,931)	25,370	(51,301)
<b>Loss before tax</b>	<u>(68,107)</u>		<u>(113,845)</u>
Income tax expense	(9,412)	(66)	(9,346)
<b>Loss for the year, net of tax</b>	<u>(77,519)</u>	<u>45,672</u>	<u>(123,191)</u>
<b>Other comprehensive income:</b>			
Fair value movement of investment in securities	(4)	-	(4)
Fair value movement of other investments	(25,790)	-	(25,790)
Foreign currency translation	(2,476)	(16,406)	13,930
<b>Other comprehensive loss for the period, net of tax</b>	<u>(28,270)</u>	<u>(16,406)</u>	<u>(11,864)</u>
<b>Total comprehensive loss for the period</b>	<u>(105,789)</u>	<u>29,266</u>	<u>(135,055)</u>
<b>Loss attributable to:</b>			
Owners of the parent	(74,660)	43,999	(118,659)
Non-controlling interests	(2,859)	1,673	(4,532)
	<u>(77,519)</u>	<u>45,672</u>	<u>(123,191)</u>
<b>Total comprehensive loss attributable to:</b>			
Owners of the parent	(102,930)	27,593	(130,523)
Non-controlling interests	(2,859)	1,673	(4,532)
	<u>(105,789)</u>	<u>29,266</u>	<u>(135,055)</u>

## 22. Corporate proposals

### **Heads of Agreement in relation to the Proposed Purchase of 70% equity interests in THP-YT Plantation Sdn. Bhd. from TH Plantations Berhad ("THP" or "Vendor")**

On 31 December 2019, TDM ("the Purchaser or "TDM") had entered into a Heads of Agreement ("HOA") to record the principle agreement and understanding with THP in relation to the proposed purchase of 25,900,000 ordinary shares ("Sale Shares")(equivalent to 70% equity interests) of THP-YT Plantation Sdn. Bhd. (Company No.: 200701016574 (774583-D)) ("THP-YT" or "the Company") ("Acquisition of Sale Shares") for the consideration of RM 7,000,000.00. As part of the Acquisition of the Sale Shares, TDM and THP agree to the proposed settlement of part of the inter-company advances by THP-YT to THP Suria Mekar Sdn Bhd ("THSM"), a wholly-owned subsidiary of THP of RM78,684,856.91 ("Advances") as follows:

1. Part of the Advances amounting to RM62,000,000 ("Settlement Sum") shall be settled by way of:
  - i. a facility sum from a facility to be taken by the Company from a Bank ("Facility Sum"); and
  - ii. shareholders' advances by the Purchaser and/or Yayasan Terengganu ("YT"), who owns 30% equity interests in THP-YT, to the Company for settlement of the difference between the Settlement Sum and the Facility Sum ("Balance Sum") ("Proposed Settlement of Balance Sum").
2. The balance of the Advances, being the difference between the Advances and the Settlement Sum ("Balance Advances"), shall be assigned by THSM to the Purchaser for the consideration of RM1.00 ("Assignment").

The HOA will enable THP and TDM (collectively referred to as the "Parties") to negotiate and finalise on the terms of the definitive agreement for the Proposed Sale Shares ("SPA Shares") and the Proposed Settlement of Balance Sum ("Settlement Agreement") (collectively referred to as the "Proposed Acquisition"). The SPA Shares and the Settlement Agreement will be executed between the Parties within eight (8) weeks after the execution of the HOA ("Term"). A detailed announcement on the Proposed Acquisition will be released upon signing of the SPA Shares and the Settlement Agreement. Upon completion of the Proposed Acquisition, THP-YT will be a subsidiary of TDM.

#### **Rationale of the Proposed Acquisition:**

The proposed acquisition will increase TDM's total planted area in Terengganu from 31,346 hectares to 33,653 hectares. In addition, the younger age profile of the estate between 2 to 9 years old will contribute positively to improve TDM overall average age profile. In addition, the close proximity of the estate to our Sungai Tong mill will enable the Fresh Fruit Bunch (FFB) from the estate to be processed at our mill and will optimise the processing capacity at the mill and thus lowering the mill processing cost per mt FFB. The Sungai Tong mill is owned by a wholly-owned subsidiary, of TDM, namely TDM Plantation Sdn. Bhd. ("TDMP").

The HOA is not subject to the approval of the shareholders of TDM and any relevant authorities.

## 23. Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 days (2018: 30 to 90 days) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

### Ageing analysis of trade receivables

	<b>As at 31-Dec-19 RM'000</b>	<b>As at 31-Dec-18 RM'000</b>
Neither past due nor impaired	15,355	30,860
1 to 30 days past due not impaired	15,548	5,177
31 to 60 days past due not impaired	13,153	2,475
61 to 90 days past due not impaired	2,474	3,663
	31,175	11,315
Impaired	8,192	10,090
	<u>54,722</u>	<u>52,265</u>

### Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial period.

### Receivables that are past due but not impaired

The Group has trade receivables amounting to RM31,175,000 (2018: RM11,315,000) that are past due at the reporting date but not impaired.

Based on past experience and no adverse information to date, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in the credit quality and the balances are still considered fully recoverable.

### Receivables that are impaired

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 individually impaired</b>	
	<b>As at 31-Dec-19 RM'000</b>	<b>As at 31-Dec-18 RM'000</b>
Trade receivables-nominal amounts	8,192	10,090
Less: Allowance for impairment	(8,192)	(10,090)
	<u>-</u>	<u>-</u>

Movement in allowance accounts:

	<b>Group</b>	
	<b>As at 31-Dec-19 RM'000</b>	<b>As at 31-Dec-18 RM'000</b>
At 1 January	10,090	10,537
Charge for the year	2,053	151
Written back	(3,951)	(598)
At 31 December	<u>8,192</u>	<u>10,090</u>

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.

## 24. Borrowings and debt securities as at the end of the reporting period

Details of the Group's borrowings as at 31 December 2019 and 31 December 2018 are as follows:

### As at 31 December 2019

	Long term RM'000	Short term RM'000	Total borrowings RM'000
<b>Secured</b>			
Bank loans	358,204	31,404	389,608
Bank overdraft	16,846	-	16,846
Obligation under hire purchase	6,472	1,942	8,414
	<u>381,522</u>	<u>33,346</u>	<u>414,868</u>
<b>Unsecured</b>			
Bank loans	11,417	40,000	51,417
	<u>392,939</u>	<u>73,346</u>	<u>466,285</u>

### As at 31 December 2018

	Long term RM'000	Short term RM'000	Total borrowings RM'000
<b>Secured</b>			
Bank loans	357,241	47,915	405,156
Bank overdraft	14,299	-	14,299
Obligation under hire purchase	6,208	179	6,387
	<u>377,748</u>	<u>48,094</u>	<u>425,842</u>
<b>Unsecured</b>			
Bank loans	-	56,982	56,982
	<u>377,748</u>	<u>105,076</u>	<u>482,824</u>

Weighted average effective interest rate of the Group borrowings is 4.93% (2018: 5.17%) per annum.

## 25. 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 2019.

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

**1. KUALA TERENGGANU HIGH COURT [TA23CvC-2-06/2018]**

**Lim Puay Leng - Plaintiff vs**

**1. Dr. Azhar Bin Zainuddin - Defendant**

**2. Kuala Terengganu Specialist Hospital Sdn Bhd - Defendant**

The Plaintiff alleges that the 1st Defendant, a Consultant Ophthalmologist, has negligently fail to carry out a medical procedure on him.

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.

Kuala Terengganu Specialist Sdn Bhd ("2nd Defendant/KTS") has filed its Statement of Defence on 7 August 2018. We had been informed by KTS's solicitor that the Court has fixed 29 August 2019 for decision of the case. The court has decided that 2nd Defendant is jointly responsible and awarded to the Plaintiff RM223,895.66.

Notice of Appeal was filed on 14 October 2019. On 5 February 2020, the Court has instructed the Parties to file the following documents on or before 23 September 2020:

- i. Common core of Bundle;
- ii. Chronology of facts for the appellant and chronology of facts for the respondent;
- iii. Written submission and Bundle of Authority; and
- iv. Executive summary

Hearing of appeal fixed on 7 October 2020.

Application to depost judgement sum to Kuala Terengganu High Court fixed for Decision on 26 February 2020.

Fortuna Injunction Application fixed for Decision on 26 February 2020.

**26. 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 - Plaintiff vs**

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

The Plaintiff alleges that the 2nd Defendant and 3rd Defendant, as the agents of the 1st Defendant, have negligently fail to carry out medical procedures on him.

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 judgment;
- 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 fixed a further case management hearing on 31 January 2019 with the following directions:-

1. Plaintiff's solicitor to file and serve the Statement of Agreed Facts, Issues To Be Tried and Supplementary Common Bundle of Documents;
2. Parties to file and serve their respective list of witnesses; and
3. Parties to file and serve their respective expert reports.

The next continued trial dates fixed on:-

- i. 24 February 2020;
- ii. 28 February 2020;
- iii. 9 March 2020;
- iv. 20 April 2020; and
- v. 22 April 2020.

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

**3. SHAH ALAM HIGH COURT [BA-22NCVC-298-07/2019]**

**Dato' Haji Mohamat Bin Muda - Plaintiff vs  
TDM Berhad & 6 Others - Defendants**

The Company and its members of Board of Directors had on 25 July 2019 received a Writ of Summons together with a Statement of Claims, both dated 17 July ("Writ") filed by Dato' Mohamat bin Muda ("Plaintiff") through his solicitor Messrs. S Murthi & Associated.

TDM is named as the Defendant 1 and its members of the Board as Defendant 2 to Defendant 7. The Plaintiff claims against all the Defendants for the breach of Contract of Services and tortious act against the Contract of Services.

The Plaintiff claims against the Defendant 1 for the following:-

- a) RM1,050,025.00 on breach of Contract of Services;
- b) Alternatively, damages assessed by the court calculated from the date of judgement, payable to the Plaintiff within 14 days from the date of the court order; and
- c) Interest of 5% on the judgment sum up to full settlement.

The Plaintiff claims against the Defendant 2 to the Defendant 7 for the following:-

- a) Compensation on the tortious act including the damage to the Plaintiff's reputation as assessed by the Court payable to the Plaintiff within 14 days from the court order;
- b) Interest of 5% on the assessment amount from the date of assessment until full settlement;
- c) Cost; and
- d) Such further or other relief as the court deems fit.

We have instructed Messrs Azman Wan Helmi & Associates to represent all Defendants in this suit.

Notice of Appearance was filed on 31 July 2019. New court directive for this suit as follows:-

- i) Defendants to file Statement of Defence by 20 August 2019;
- ii) Plaintiff to file Reply to Statement of Defence by 3 September 2019; and
- iii) New Case Management fixed on 5 September 2019 to Parties update to the Court the status of pleading.

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

**3. SHAH ALAM HIGH COURT [BA-22NCVC-298-07/2019] (cont'd.)**

**Dato' Haji Mohamat Bin Muda - Plaintiff vs  
TDM Berhad & 6 Others - Defendants**

a. Main Suit.

The Case Management date on 5 September 2019 has been vacated by the Court and the Court has given a new date on 10 September 2019. The Company's Solicitor received Reply to Statement of Defense on 8 September 2019. The Company has been informed by its Solicitor that there is no Reply to the Reply to Statement of Defense and the pleading has been closed.

b. Application to Transfer Proceedings.

The Company's Solicitor filed an application to Transfer Proceeding from Shah Alam High Court to Kuala Terengganu High Court on 22 August 2019 and the Court had fixed the Case Management on 10 September 2019. The Company's Solicitor received Affidavit in Reply from the Plaintiff's Solicitor on 8 September 2019. Further to the Case Management on 10 September 2019, the Court directed the Parties as follows:-

- i. Defendants to file Affidavit in Reply on or before 24 September 2019.
- ii. Both parties to file Written Submission on or before 8 October 2019.
- iii. Both parties to file Reply Written Submission on or before 22 October 2019.
- iv. Case Management fixed on 7 November 2019 to Parties served filed written submission to the Deputy Registrar.
- v. Trial Date fixed on 18 November 2019 before High Court Judge.

c. Application on Order 14A for Determination of Construction/Interpretation of Dato' Mohamat's Contract of Service.

The Company's Solicitor filed an Application on Order 14A on 12 September 2019 and the Court has fixed the Case Management date on 26 September 2019.

The pleading of the main case has been closed. The Court will decide the trial date upon the completion of the following applications:

- 1) Application to transfer proceeding from Shah Alam to Kuala Terengganu; and
- 2) Application under Order 14A RHC (determination of contract of services).

Plaintiff and Defendants has submitted written submission for the above Applications on 7 November 2019 and the court has fixed for trial on 16 January 2020 for the aforementioned application.

During trial on 16 January 2020, the Court has dismissed the application to transfer proceedings from Shah Alam High Court to Kuala Terengganu High Court and Application on Order 14A. Next Case Management fixed on 27 February 2020.

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

**4. SHAH ALAM HIGH COURT [BA-23NCVC-36-08/2019]**

**Ozzman Niqzeiard bin Zainal Abidin - Plaintiff vs**

- 1. Kelana Jaya Medical Centre Sdn Bhd - Defendant**
- 2. Dr. Bazam bin Abdul Rani - Defendant**

The Plaintiff alleges that Defendants has negligently fail to carry out a medical procedure in care and provides suitable equipment and/or facilities and/or machinery before conducting the surgery and/or treatment on him.

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

- i. General damages;
- ii. Special damages of RM500,000.00;
- iii. Exemplary damages of RM3,000,000.00;
- iv. *Gantirugi malu* (to be assessed);
- v. 8% Interest of Judgment from the date of Writ up to the date of full settlement;
- vi. 8% interest of Judgement from the date of order up to the full settlement;
- vii. Costs; and
- viii. Such further notice or other relief as the Court deems fit.

The Court has struck off the Plaintiff's claim with liberty to file afresh, due to the non attendance of the Plaintiff's Counsel in Court, during the case management on 20 January 2020.

**27. Dividend proposed**

There were no dividend proposed of the Group during the quarter under review.

**28. 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.

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current Quarter Ended 31-Dec-19</b>	<b>Preceding Quarter Ended 31-Dec-18 Restated</b>	<b>Current Quarter To date 31-Dec-19</b>	<b>Preceding Quarter To date 31-Dec-18 Restated</b>
Loss for the period, net of tax, attributable to owners (RM'000)	(35,054)	(52,612)	(215,456)	(118,659)
Weighted average number of ordinary shares in issue for basic loss per share computation ('000)	1,682,641	1,682,641	1,682,641	1,668,196
Basic loss per share (sen)	<u>(2.08)</u>	<u>(3.13)</u>	<u>(12.80)</u>	<u>(7.11)</u>

**29.** The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 28 February 2020.

**BY ORDER OF THE BOARD**

WAN HASLINDA WAN YUSOFF  
Company Secretary

Kuala Terengganu  
28 February 2020