



TDM BERHAD

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

**INTERIM FINANCIAL STATEMENTS
31 DECEMBER 2022**



TDM BERHAD

(Company No 196501000477 (6265-P))
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

(The figures have not been audited)

| | Individual Quarter | | Cumulative Quarter | |
|---|--|--|---|---|
| | Current Quarter Ended 31-Dec-22 RM'000 | Preceding Quarter Ended 31-Dec-21 RM'000 | Current Year To date 31-Dec-22 RM'000 | Preceding Year To date 31-Dec-21 RM'000 |
| Continuing operations | | | | |
| Revenue | 157,851 | 165,645 | 614,164 | 511,582 |
| Cost of sales | (104,057) | (90,995) | (392,542) | (316,154) |
| Gross profit | 53,794 | 74,650 | 221,622 | 195,428 |
| Other items of income | | | | |
| Interest income | 525 | 1,434 | 2,388 | 3,016 |
| Other income | 23,301 | 49,597 | 29,699 | 60,701 |
| Other items of expense | | | | |
| Distribution costs | (1,459) | (1,408) | (5,058) | (4,977) |
| Administrative expenses | (52,216) | (47,430) | (194,606) | (142,951) |
| Other expenses | (1,521) | (2,292) | (4,671) | (4,513) |
| Finance costs | (5,920) | (6,889) | (23,623) | (24,776) |
| Profit before tax | 16,504 | 67,662 | 25,751 | 81,928 |
| Income tax expense | (14,647) | (19,502) | (21,822) | (28,246) |
| Profit for the period from continuing operations, net of tax | 1,857 | 48,160 | 3,929 | 53,682 |
| Discontinued operation | | | | |
| Loss for the period from discontinued operation, net of tax | (23,661) | (89,452) | (31,690) | (90,475) |
| Loss for the period, net of tax | (21,804) | (41,292) | (27,761) | (36,793) |
| Other comprehensive (loss)/income: | | | | |
| Foreign currency translation | (2,516) | (401) | 493 | 1,918 |
| Fair value movement of investments in securities | 3 | 5 | 1 | 1 |
| Fair value movement of other investment | (13,930) | 2,956 | (13,930) | 2,956 |
| Net gain on remeasurement of defined benefit obligations | 531 | - | 531 | - |
| Other comprehensive (loss)/income for the period, net of tax | (15,912) | 2,560 | (12,905) | 4,875 |
| Total other comprehensive loss for the period | (37,716) | (38,732) | (40,666) | (31,918) |



TDM BERHAD

(Company No 196501000477 (6265-P))

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

(The figures have not been audited)

| | Individual Quarter | | Cumulative Quarter | |
|---|---------------------------|------------------|---------------------------|------------------|
| | Current | Preceding | Current | Preceding |
| | Quarter | Quarter | Quarter | Quarter |
| | Ended | Ended | To date | To date |
| | 31-Dec-22 | 31-Dec-21 | 31-Dec-22 | 31-Dec-21 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Loss attributable to: | | | | |
| Owners of the parent | (19,779) | (35,136) | (23,665) | (29,518) |
| Non-controlling interests | (2,025) | (6,156) | (4,096) | (7,275) |
| | (21,804) | (41,292) | (27,761) | (36,793) |
| Total comprehensive loss attributable to: | | | | |
| Owners of the parent | (35,277) | (32,548) | (36,290) | (24,758) |
| Non-controlling interests | (2,439) | (6,184) | (4,376) | (7,160) |
| | (37,716) | (38,732) | (40,666) | (31,918) |
| Loss per share attributable to owner of the parent the parent (sen per share): | | | | |
| Basic (Note 26) | (1.14) | (2.04) | (1.37) | (1.72) |

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2021 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 2022**

(The figures have not been audited)

| | As at 31-Dec-22 RM'000 | As at 31-Dec-21 RM'000 |
|---|---------------------------------------|---------------------------------------|
| Assets | | |
| Non-current assets | | |
| Property, plant and equipment | 818,140 | 802,005 |
| Right-of-use assets | 476,133 | 482,911 |
| Intangible asset | 2,890 | 3,748 |
| Goodwill | 4,020 | 991 |
| Other investments | 27,132 | 41,063 |
| Investments in securities | 37 | 36 |
| Other receivables | 308 | 186 |
| Deferred tax assets | 996 | 996 |
| | <u>1,329,656</u> | <u>1,331,936</u> |
| Current assets | | |
| Biological assets | 3,346 | 8,671 |
| Inventories | 35,877 | 24,057 |
| Trade and other receivables | 63,972 | 57,630 |
| Contract asset | 1,881 | 4,827 |
| Prepayments | 3,986 | 4,946 |
| Tax recoverable | 11,106 | 12,753 |
| Cash and bank balances | 107,184 | 194,443 |
| Assets of disposal group classified as held for sale | 104,124 | 105,666 |
| | <u>331,476</u> | <u>412,993</u> |
| Total assets | <u>1,661,132</u> | <u>1,744,929</u> |
| Current liabilities | | |
| Retirement benefit obligations | 668 | 742 |
| Lease liabilities | 930 | 1,065 |
| Loans and borrowings | 66,396 | 49,660 |
| Trade and other payables | 172,035 | 222,266 |
| Tax payable | 8,684 | 15,684 |
| Liabilities of disposal group classified as held for sale | 35,286 | 10,412 |
| | <u>283,999</u> | <u>299,829</u> |
| Net current assets | <u>47,477</u> | <u>113,164</u> |



TDM BERHAD

(Company No 196501000477 (6265-P))

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

(The figures have not been audited)

| | As at 31-Dec-22 RM'000 | As at 31-Dec-21 RM'000 |
|--|---------------------------------------|---------------------------------------|
| Non-current liabilities | | |
| Retirement benefit obligations | 6,309 | 5,470 |
| Lease liabilities | 66,782 | 61,599 |
| Loans and borrowings | 416,927 | 440,691 |
| Other payables | 41,087 | 41,934 |
| Deferred tax liabilities | 186,946 | 186,628 |
| | 718,051 | 736,322 |
| Total liabilities | 1,002,050 | 1,036,151 |
| Net assets | 659,082 | 708,778 |
| Equity attributable to owners of the parent | | |
| Share capital | 359,445 | 359,445 |
| Retained earnings | 332,367 | 365,062 |
| Other reserves | 22,637 | 36,035 |
| Reserves of a disposal group held for sale | (27,629) | (28,402) |
| | 686,820 | 732,140 |
| Non-controlling interests | (27,738) | (23,362) |
| Total equity | 659,082 | 708,778 |
| Total equity and liabilities | 1,661,132 | 1,744,929 |
| Net assets per share (RM) | 0.38 | 0.41 |

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2021 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 2022**

(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 |
| Opening balance at 1 January 2022 | 708,778 | 732,140 | 359,445 | 365,062 | 36,035 | 36,303 | (237) | (31) | (28,402) | (23,362) |
| Loss for the financial year | (27,761) | (23,665) | - | (23,665) | - | - | - | - | - | (4,096) |
| Other comprehensive (loss)/income | | | | | | | | | | |
| Fair value movement of other investment | (13,930) | (13,930) | - | - | (13,930) | (13,930) | - | - | - | - |
| Foreign currency translation | 493 | 773 | - | - | - | - | - | - | 773 | (280) |
| Fair value movement of investment in securities | 1 | 1 | - | - | 1 | 1 | - | - | - | - |
| Net gain on remeasurement of defined benefit obligations | 531 | 531 | - | - | 531 | - | 531 | - | - | - |
| Other comprehensive (loss)/income for the year, net of tax | (12,905) | (12,625) | - | - | (13,398) | (13,929) | 531 | - | 773 | (280) |
| Total comprehensive (loss)/income for the year, net of tax | (40,666) | (36,290) | - | (23,665) | (13,398) | (13,929) | 531 | - | 773 | (4,376) |
| Transactions with owners | | | | | | | | | | |
| Dividends on ordinary shares | (9,030) | (9,030) | - | (9,030) | - | - | - | - | - | - |
| Total transactions with owners | (9,030) | (9,030) | - | (9,030) | - | - | - | - | - | - |
| Closing balance at 31 December 2022 | 659,082 | 686,820 | 359,445 | 332,367 | 22,637 | 22,374 | 294 | (31) | (27,629) | (27,738) |
| Opening balance at 1 January 2021 | 755,862 | 770,853 | 359,445 | 408,535 | 33,078 | 33,346 | (237) | (31) | (30,205) | (14,991) |
| Loss for the financial year | (36,793) | (29,518) | - | (29,518) | - | - | - | - | - | (7,275) |
| Other comprehensive income | | | | | | | | | | |
| Fair value movement of other investment | 2,956 | 2,956 | - | - | 2,956 | 2,956 | - | - | - | - |
| Foreign currency translation | 1,918 | 1,803 | - | - | - | - | - | - | 1,803 | 115 |
| Fair value movement of investment in securities | 1 | 1 | - | - | 1 | 1 | - | - | - | - |
| Other comprehensive income of the year, net of tax | 4,875 | 4,760 | - | - | 2,957 | 2,957 | - | - | 1,803 | 115 |
| Total comprehensive (loss)/income for the year, net of tax | (31,918) | (24,758) | - | (29,518) | 2,957 | 2,957 | - | - | 1,803 | (7,160) |
| Transactions with owners | | | | | | | | | | |
| Dividend paid to non-controlling interest | (1,211) | - | - | - | - | - | - | - | - | (1,211) |
| Dividends on ordinary shares | (13,955) | (13,955) | - | (13,955) | - | - | - | - | - | - |
| Total transactions with owners | (15,166) | (13,955) | - | (13,955) | - | - | - | - | - | (1,211) |
| Closing balance at 31 December 2021 | 708,778 | 732,140 | 359,445 | 365,062 | 36,035 | 36,303 | (237) | (31) | (28,402) | (23,362) |

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements)



TDM BERHAD

(Company No 196501000477 (6265-P))

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(The figures have not been audited)

| | Year Ended | |
|--|---------------------|---------------------|
| | 31-Dec-22 RM'000 | 31-Dec-21 RM'000 |
| Cash flows from operating activities | | |
| Profit before tax from continuing operations | 25,751 | 81,928 |
| Loss before tax from discontinued operation | (31,690) | (90,475) |
| | (5,939) | (8,547) |
| <u>Adjustments for:</u> | | |
| Finance costs | 23,623 | 24,776 |
| Depreciation of property, plant and equipment | 60,299 | 66,832 |
| Amortisation of intangible asset | 858 | 857 |
| Amortisation of right-of-use assets | 12,360 | 10,355 |
| Amortisation of contract assets | 2,946 | 2,863 |
| Property, plant and equipment written off | | |
| - Continuing | 912 | 920 |
| - Discontinued | - | 131 |
| Inventories written off - Continuing | 122 | 245 |
| Expected credit losses of trade receivables | 223 | 96 |
| Expected credit losses of other receivables - Discontinued | 2,860 | 3,413 |
| Reversal of expected credit losses of trade receivables | - | (168) |
| Reversal of expected credit losses of other receivables | - | (91) |
| (Reversal of impairment)/impairment of right-of-use assets | | |
| - Discontinued | (426) | 16,199 |
| (Reversal of impairment)/impairment of property, plant and equipment | | |
| - Discontinued | (1,716) | 64,519 |
| (Gain)/loss on disposal of property, plant and equipment | (66) | 5 |
| Impairment of goodwill | 2,500 | - |
| Dividend income | (3,341) | (3,014) |
| Share of profits from estates payable to Lembaga Tabung Amanah Warisan Negeri Terengganu | 3,069 | 2,690 |
| Share of losses from estates by Majlis Agama Islam dan Adat Melayu Terengganu | (656) | (459) |
| Provision/(reversal) for retirement benefit obligations | | |
| - Continuing | 704 | 447 |
| - Discontinued | (599) | 393 |
| Profit from al-Mudharabah | (2,388) | (3,016) |
| Land premium on sublessee land | - | (1,119) |
| Fair value changes of biological assets | | |
| - Continuing | 5,519 | (4,517) |
| - Discontinued | 441 | (189) |
| Hibah income - Discontinued | (4) | (14) |
| Reversal of accumulated profits payable to sublessee | (5,666) | (40,431) |
| Total adjustments | 101,574 | 141,723 |
| Operating cash flows before changes in working capital | 95,635 | 133,176 |
| <u>Changes in working capital</u> | | |
| Inventories | (11,942) | (2,547) |
| Receivables | (6,390) | (9,999) |
| Payables | 49,760 | 12,280 |
| Contract liability | - | (634) |
| Prepayment | 960 | 111 |
| Total changes in working capital | 32,388 | (789) |
| Cash flows generated from operations | 128,023 | 132,387 |



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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(The figures have not been audited)

| | Year Ended | |
|---|----------------------|-----------------------|
| | 31-Dec-22 | 31-Dec-21 |
| | RM'000 | RM'000 |
| Cash flows from operating activities (cont'd.) | | |
| Finance cost paid | (23,623) | (25,461) |
| Profit from al-Mudharabah received | 2,388 | 3,016 |
| Taxes paid | (27,203) | (15,043) |
| Taxes refund | 417 | - |
| Retirement benefits paid | (661) | (166) |
| Net cash flows generated from operating activities | <u>79,341</u> | <u>94,733</u> |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (85,756) | (43,562) |
| Acquisition of right-of-use assets | - | (158) |
| Dividend received | 3,341 | 3,014 |
| Withdrawal of deposits with licensed banks | 10,403 | 9,764 |
| Increase in deposits with licensed banks pledged for bank guarantee facility and Finance Service Reserve Account | (736) | (659) |
| Proceed from disposal of property, plant and equipment | - | 9 |
| Net cash flows used in investing activities | <u>(72,748)</u> | <u>(31,592)</u> |
| Cash flows from financing activities | | |
| Drawdowns of bank borrowings | 43,123 | 41,915 |
| Drawdowns of hire purchase facilities | 1,564 | - |
| Repayments of bank borrowings | (46,645) | (50,864) |
| Repayments of hire purchase facilities | (3,506) | (3,189) |
| Repayment of finance lease | (6,244) | (6,460) |
| Dividend paid to shareholder | (6,030) | (9,547) |
| Net proceeds from advances received | (66,708) | (64,855) |
| Net cash flows used in financing activities | <u>(84,446)</u> | <u>(93,000)</u> |
| Net decrease in cash and cash equivalents | (77,853) | (29,859) |
| Cash and cash equivalents at 1 January | 147,635 | 177,505 |
| Effect of foreign exchange rate changes | (12) | (11) |
| Cash and cash equivalents at end of the year | <u>69,770</u> | <u>147,635</u> |
| Cash and cash equivalents at end of the year comprise of the following: | | |
| Cash and banks balances | | |
| - Continuing operations | 107,184 | 194,443 |
| - Discontinuing operations | 166 | 439 |
| Less: Deposits pledged for bank facilities | (37,580) | (36,844) |
| Less: Deposits with licensed banks with maturity period more than 3 months | - | (10,403) |
| Cash and cash equivalents | <u>69,770</u> | <u>147,635</u> |

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements)



TDM BERHAD

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(Incorporated in Malaysia)

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 2021. 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 2021.

The interim financial statements of the Group for the financial year ended 31 December 2022 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 2021.

1.1 Changes in accounting policies

On 1 January 2022, the Group adopted the following new and amended MFRSs mandatory for annual periods beginning on or after 1 January 2022.

| Description | Effective for annual periods beginning on or after |
|---|---|
| Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards (Annual improvement to MFRS Standards 2018-2020 Cycle) | 1 January 2022 |
| Amendments to MFRS 3, Business Combinations – Reference to the Conceptual Framework | 1 January 2022 |
| Amendments to MFRS 9, Financial Instruments (Annual Improvements to MFRS Standards 2018–2020) | 1 January 2022 |
| Amendments to Illustrative Examples accompanying MFRS 16, Leases (Annual Improvements to MFRS Standards 2018–2020) | 1 January 2022 |
| Amendments to MFRS 116, Property, Plant and Equipment – Proceeds before Intended Use | 1 January 2022 |
| Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract | 1 January 2022 |
| Amendments to MFRS 141, Agriculture (Annual Improvements to MFRS Standards 2018–2020) | 1 January 2022 |

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

1.2 Standards issued but not yet effective

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

| Description | Effective for annual periods beginning on or after |
|--|---|
| MFRS 17 Insurance Contracts | 1 January 2023 |
| Amendments to MFRS 17: Insurance Contracts | 1 January 2023 |
| Initial Application of MFRS 17 and MFRS 9 - Comparative Information (Amendments to MFRS 17) | 1 January 2023 |
| Amendments to MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors (Definition of Accounting Estimates) | 1 January 2023 |
| Amendments to MFRS 112: Income Taxes (Deferred Tax related to Assets and Liabilities arising from a Single Transaction) | 1 January 2023 |
| Amendments to MFRS 16: Leases (Lease Liability on a Sale and Leaseback) | 1 January 2024 |
| Amendments to MFRS 101: Presentation of Financial Statements and MFRS Practice Statement 2 (Disclosure of Accounting Policies) | 1 January 2024 |
| Amendments to MFRS 101: Presentation of Financial Statements (Classification of Liabilities as Current or Non-current) | 1 January 2024 |
| Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | Deferred |

2. Declaration of audit qualification

The preceding annual financial statements for the year ended 31 December 2021 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 2022.

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

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

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

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

7. Dividends paid

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

8. Segmental reporting

The segments are reported in a manner that is more consistent with internal reporting whereby the Group's business is presented in term of business division and geographical perspective. The operating performance is based on a measure of earning before interest, tax, depreciation and amortisation ("EBITDA").

3 months ended 31 December 2022

| | Plantation RM'000 | Healthcare RM'000 | Investment holding and others RM'000 | Continuing operations RM'000 | Discontinued operations RM'000 |
|---------------------------------|----------------------|----------------------|---|------------------------------------|--------------------------------------|
| Total revenue | 157,977 | 79,718 | - | 237,695 | (134) |
| Intersegment revenue | (79,450) | (394) | - | (79,844) | - |
| External revenue | 78,527 | 79,324 | - | 157,851 | (134) |
| EBITDA | 34,287 | 11,055 | (4,622) | 40,720 | (23,661) |
| Depreciation & amortisation | (13,110) | (4,065) | (1,646) | (18,821) | - |
| Profit from al-Mudharabah | 222 | 58 | 245 | 525 | - |
| Hibah income | - | - | - | - | - |
| Finance costs | (2,950) | (735) | (2,235) | (5,920) | - |
| Profit/(loss) before tax | 18,449 | 6,313 | (8,258) | 16,504 | (23,661) |

3 months ended 31 December 2021

| | Plantation RM'000 | Healthcare RM'000 | Investment holding and others RM'000 | Continuing operations RM'000 | Discontinued operations RM'000 |
|---------------------------------|----------------------|----------------------|---|------------------------------------|--------------------------------------|
| Total revenue | 87,631 | 62,123 | - | 149,754 | (145) |
| Intersegment revenue | 16,139 | (248) | - | 15,891 | - |
| External revenue | 103,770 | 61,875 | - | 165,645 | (145) |
| EBITDA | 96,595 | 8,444 | (6,962) | 98,077 | (89,449) |
| Depreciation & amortisation | (18,842) | (4,069) | (2,049) | (24,960) | - |
| Profit from al-Mudharabah | 525 | 101 | 808 | 1,434 | - |
| Hibah income | - | - | - | - | (3) |
| Finance costs | (3,848) | (772) | (2,269) | (6,889) | - |
| Profit/(loss) before tax | 74,430 | 3,704 | (10,472) | 67,662 | (89,452) |

8. Segmental reporting (cont'd.)

12 months ended 31 December 2022

| | Plantation RM'000 | Healthcare RM'000 | Investment holding and others RM'000 | Continuing operations RM'000 | Discontinued operations RM'000 |
|---------------------------------|----------------------|----------------------|---|------------------------------------|--------------------------------------|
| Total revenue | 582,775 | 280,166 | - | 862,941 | 3,203 |
| Intersegment revenue | (247,329) | (1,448) | - | (248,777) | - |
| External revenue | 335,446 | 278,718 | - | 614,164 | 3,203 |
| EBITDA | 117,741 | 33,076 | (27,368) | 123,449 | (31,694) |
| Depreciation & amortisation | (53,829) | (16,514) | (6,120) | (76,463) | - |
| Profit from al-Mudharabah | 1,440 | 205 | 743 | 2,388 | - |
| Hibah income | - | - | - | - | 4 |
| Finance costs | (13,099) | (2,751) | (7,773) | (23,623) | - |
| Profit/(loss) before tax | 52,253 | 14,016 | (40,518) | 25,751 | (31,690) |

31 December 2022

| | | | | | |
|---------------------|----------------|----------------|----------------|------------------|----------------|
| Assets | 805,732 | 249,870 | 501,406 | 1,557,008 | 104,124 |
| Liabilities | 672,646 | 125,010 | 169,108 | 966,764 | 35,286 |
| Exchange rate ratio | MYR 1.00 | IDR 3,556 | | | |

12 months ended 31 December 2021

| | Plantation RM'000 | Healthcare RM'000 | Investment holding and others RM'000 | Continuing operations RM'000 | Discontinued operations RM'000 |
|---------------------------------|----------------------|----------------------|---|------------------------------------|--------------------------------------|
| Total revenue | 289,746 | 225,302 | - | 515,048 | 4,215 |
| Intersegment revenue | (2,430) | (1,036) | - | (3,466) | - |
| External revenue | 287,316 | 224,266 | - | 511,582 | 4,215 |
| EBITDA | 179,322 | 23,579 | (18,306) | 184,595 | (90,489) |
| Depreciation & amortisation | (58,821) | (16,141) | (5,945) | (80,907) | - |
| Profit from al-Mudharabah | 1,966 | 240 | 810 | 3,016 | - |
| Hibah income | - | - | - | - | 14 |
| Finance costs | (13,513) | (2,803) | (8,460) | (24,776) | - |
| Profit/(loss) before tax | 108,954 | 4,875 | (31,901) | 81,928 | (90,475) |

31 December 2021

| | | | | | |
|---------------------|----------------|----------------|----------------|------------------|----------------|
| Assets | 891,232 | 253,648 | 494,383 | 1,639,263 | 105,666 |
| Liabilities | 704,309 | 136,013 | 185,417 | 1,025,739 | 10,412 |
| Exchange rate ratio | MYR 1.00 | IDR 3,416 | | | |

9. Material subsequent event

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

10. Changes in the composition of the Group

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

11. 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.

12. Capital commitments

Capital commitments as at 31 December 2022 are as follows:

| | |
|--|---------------|
| | RM'000 |
| Authorised by the Directors and contracted for | 77,655 |
| Authorised by the Directors but not contracted for | 96,659 |
| | <hr/> |
| | 174,314 |
| | <hr/> |

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENT

13. 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 2022 versus Q4 2021

| | Q4 2022 | Q4 2021 | Changes | |
|-------------------------------|----------------|----------------|-----------------|-------------|
| | RM'000 | RM'000 | RM'000 | % |
| REVENUE | | | | |
| Plantation | 78,527 | 103,770 | (25,243) | -24% |
| Healthcare | 79,324 | 61,875 | 17,449 | 28% |
| Total revenue | 157,851 | 165,645 | (7,794) | -5% |
| Plantation | 34,287 | 96,595 | (62,308) | -65% |
| Healthcare | 11,055 | 8,444 | 2,611 | 31% |
| Investment holding and others | (4,622) | (6,962) | 2,340 | 34% |
| EBITDA | 40,720 | 98,077 | (57,357) | -58% |
| Depreciation & amortisation | (18,821) | (24,960) | 6,139 | 25% |
| Profit from al-Mudharabah | 525 | 1,434 | (909) | -63% |
| Finance costs | (5,920) | (6,889) | 969 | 14% |
| Profit before tax | 16,504 | 67,662 | (51,158) | 76% |

The Group's revenue for the three months period ended 31 December 2022 decreased by 5% compared to the previous corresponding quarter mainly due to lower revenue from Plantation Division by RM25.2 million, a decrease of 24% and offset with higher revenue recorded from Healthcare Division by RM17.4 million, an improvement of 28%.

The Group recorded a Profit Before Tax ("PBT") of RM16.5 million during the quarter, a decrease of RM51.2 million as compared to the PBT of RM67.7 million in the same quarter the previous year.

PLANTATION DIVISION

In 4QFY2022, the Plantation Division recorded lower sales volume of Crude Palm Oil ("CPO") and Palm Kernel ("PK") by 6% and 25%, respectively, as compared to previous corresponding quarter of 2021 mainly due to the lower production of internal fresh fruit bunch ("FFB") by 17%. In addition, CPO and PK average prices were also lower by 22% and 36% YoY, respectively.

The division registered an EBITDA of RM34.3 million, a decreased of 65% from RM96.6 million. The division registering a segmental PBT of RM18.4 million during the quarter, a decrease of 75% as compared to previous corresponding quarter of 2021.

13. 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 2022 versus Q4 2021 (cont'd.)

PLANTATION DIVISION (CONT'D.)

Below are the key operating statistics for Plantation Division:

| Plantation Statistics | Q4 2022 | Q4 2021 | Changes | % |
|------------------------------|----------------|----------------|----------------|----------|
| CPO sales volume (mt) | 17,619 | 18,672 | (1,053) | -6% |
| PK sales volume (mt) | 3,731 | 4,953 | (1,222) | -25% |
| FFB production (mt) | 81,818 | 98,368 | (16,550) | -17% |
| CPO average price (RM) | 3,982 | 5,073 | (1,091) | -22% |
| PK average price (RM) | 2,396 | 3,724 | (1,328) | -36% |
| Mature area (hectare) | 21,670 | 24,592 | (2,922) | -12% |
| Immature area (hectare) | 6,809 | 8,771 | (1,962) | -22% |
| Oil extraction rate (%) | 19.11% | 18.89% | 0.22% | 1% |
| Kernel extraction rate (%) | 4.45% | 5.08% | -0.63% | -12% |

HEALTHCARE DIVISION

For the quarter under review, TDM's Healthcare Division registered a revenue of RM79.3 million, translating to a YoY increase of 28% compared to the previous year's corresponding quarter. The increase in revenue was mainly attributed to the rise in the number of inpatients and outpatients by 37% and 2% YoY, respectively. In addition, inpatient days and bed occupancy rates also improved by 51% and 44%, respectively.

As a result of the stronger top-line performance, 4QFY2022 EBITDA increase to RM11.1 million from RM8.4 million, whilst PBT soared to RM6.3 million from RM3.7 million recorded in the previous year's corresponding quarter.

Below are the key operating statistics for Healthcare Division:

| Healthcare Statistics | Q4 2022 | Q4 2021 | Changes | % |
|------------------------------------|----------------|----------------|----------------|----------|
| Number of inpatient | 6,458 | 4,717 | 1,741 | 37% |
| Number of outpatient | 47,712 | 46,975 | 737 | 2% |
| Inpatient days | 18,473 | 12,250 | 6,223 | 51% |
| Occupancy rate (%) | 52% | 36% | 16% | 44% |
| Average length of stay (day) | 2.86 | 2.60 | 0.26 | 10% |
| Number of bed | 308 | 312 | (4) | -1% |
| Average revenue per inpatient (RM) | 9,451 | 9,398 | 53 | 1% |

13. 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 2022 versus 12M 2021

| | FY 2022 | FY 2021 | Changes | |
|-------------------------------|----------------|----------------|-----------------|-------------|
| | RM'000 | RM'000 | RM'000 | % |
| REVENUE | | | | |
| Plantation | 335,446 | 287,316 | 48,130 | 17% |
| Healthcare | 278,718 | 224,266 | 54,452 | 24% |
| Total revenue | 614,164 | 511,582 | 102,582 | 20% |
| Plantation | 117,741 | 179,322 | (61,581) | -34% |
| Healthcare | 33,076 | 23,579 | 9,497 | 40% |
| Investment holding and others | (27,368) | (18,306) | (9,062) | -50% |
| EBITDA | 123,449 | 184,595 | (61,146) | -33% |
| Depreciation & amortisation | (76,463) | (80,907) | 4,444 | 5% |
| Profit from al-Mudharabah | 2,388 | 3,016 | (628) | -21% |
| Finance costs | (23,623) | (24,776) | 1,153 | 5% |
| Profit before tax | 25,751 | 81,928 | (56,177) | -69% |

The Group's revenue for the twelve months ended 31 December 2022 recorded an increase of 20% compared to the previous corresponding year due to the growth in revenue from Plantation Division by RM48.1 million, an improvement of 17% and Healthcare Division by RM54.5 million, an increment of 24%.

The Group recorded a PBT of RM25.8 million during the year, lower by 69% as compared to the PBT of RM81.9 million in the previous corresponding year mainly due to a significant reduction in one-time other income item.

PLANTATION DIVISION

For the 12MFY2022, revenue from the Plantation Division improved by 17% YoY to RM335.4 million from RM287.3 million in FY2021, driven by higher CPO and PK average prices which improved by 12% and 10%, respectively. The higher revenue was also driven by an increase in outside crop purchased of 32,552mt, 4 times higher as compared to the prior year. However, this was partly offset by a lower internal FFB production of 10%.

The division registered an EBITDA of RM117.7 million, lower than RM179.3 million recorded in the previous year. PBT also declined by 52% to RM52.3 million in FY2022 compared to previous corresponding period.

Below are the key operating statistics for Plantation Division:

| Plantation Statistics | FY 2022 | FY 2021 | Changes | % |
|------------------------------|----------------|----------------|----------------|----------|
| CPO sales volume (mt) | 59,027 | 61,559 | (2,532) | -4% |
| PK sales volume (mt) | 14,248 | 14,786 | (538) | -4% |
| FFB production (mt) | 277,739 | 307,047 | (29,308) | -10% |
| CPO average price (RM) | 4,965 | 4,447 | 518 | 12% |
| PK average price (RM) | 3,303 | 3,007 | 296 | 10% |
| Mature area (hectare) | 21,670 | 24,592 | (2,922) | -12% |
| Immature area (hectare) | 6,809 | 8,771 | (1,962) | -22% |
| Oil extraction rate (%) | 19.15% | 19.14% | 0.01% | 0.1% |
| Kernel extraction rate (%) | 4.52% | 4.64% | -0.12% | -3% |

13. 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 period to date (cont'd.)

Cumulative quarter - 12M 2022 versus 12M 2021 (cont'd.)

HEALTHCARE DIVISION

For the year ended 2022, revenue came in stronger by 24% at RM278.7 million, compared to RM224.3 million from the previous corresponding year. The top-line growth was attributed to a higher number of inpatient (up 38% YoY), inpatient days (up 37% YoY) and bed occupancy rate (up 34% YoY).

Furthermore, EBITDA for the division increased by 40% YoY, reaching RM33.1 million. PBT stood significantly higher at RM14.0 million, from RM4.9 million in FY2021.

Below are the key operating statistics for Healthcare Division:

| Healthcare Statistics | FY 2022 | FY 2021 | Changes | % |
|------------------------------------|----------------|----------------|----------------|----------|
| Number of inpatient | 23,675 | 17,135 | 6,540 | 38% |
| Number of outpatient | 188,897 | 186,645 | 2,252 | 1% |
| Inpatient days | 66,672 | 48,775 | 17,897 | 37% |
| Occupancy rate (%) | 47% | 35% | 12% | 34% |
| Average length of stay (day) | 2.82 | 2.49 | 0.33 | 13% |
| Number of bed | 308 | 312 | (4) | -1% |
| Average revenue per inpatient (RM) | 8,830 | 9,205 | (375) | -4% |

14. 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 2022 versus Q3 2022

| | Q4 2022 | Q3 2022 | Changes | % |
|---------------------------------|----------------|-----------------|----------------|-------------|
| | RM'000 | RM'000 | RM'000 | |
| REVENUE | | | | |
| Plantation | 78,527 | 75,148 | 3,379 | 4% |
| Healthcare | 79,324 | 78,140 | 1,184 | 2% |
| Total revenue | 157,851 | 153,288 | 4,563 | 3% |
| Plantation | 34,287 | 7,819 | 26,468 | 339% |
| Healthcare | 11,055 | 12,879 | (1,824) | -14% |
| Investment holding and others | (4,622) | (8,284) | 3,662 | 44% |
| EBITDA | 40,720 | 12,414 | 28,306 | 228% |
| Depreciation & amortisation | (18,821) | (20,192) | 1,371 | 7% |
| Profit from al-Mudharabah | 525 | 459 | 66 | 14% |
| Finance costs | (5,920) | (5,053) | (867) | -17% |
| Profit/(loss) before tax | 16,504 | (12,372) | 28,876 | 233% |

14. 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 2022 versus Q3 2022 (cont'd.)

The Group's revenue for the three months ended 31 December 2022 was higher by 3% compared to the immediate preceding quarter mainly due to higher revenue at Plantation Division by 4% and an increase in revenue in Healthcare Division by 2% as compared to the immediate preceding quarter.

The Group recorded PBT of RM16.5 million during the quarter, compared to a Loss Before Tax ("LBT") of RM12.4 million in the immediate preceding quarter.

PLANTATION DIVISION

The Plantation Division recorded higher revenue by 4% mainly due to higher sales volume of CPO by 7%, driven by increase in FFB production by 9%. The increase in revenue also driven by an increase in KER by 6% as compared to the immediate preceding quarter. However, there is a decrease in sales volume of PK by 5% and also decrease in CPO and PK average price by 5% and 7% respectively.

During the quarter, our Plantation Division registered a higher EBITDA of RM34.3 million, compared to RM7.8 million in the immediate preceding quarter.

Below are the key operating statistics for Plantation Division:

| Plantation Statistics | Q4 2022 | Q3 2022 | Changes | % |
|------------------------------|----------------|----------------|----------------|----------|
| CPO sales volume (mt) | 17,619 | 16,390 | 1,229 | 7% |
| PK sales volume (mt) | 3,731 | 3,907 | (176) | -5% |
| FFB production (mt) | 81,818 | 75,391 | 6,427 | 9% |
| CPO average price (RM) | 3,982 | 4,194 | (212) | -5% |
| PK average price (RM) | 2,396 | 2,586 | (190) | -7% |
| Mature area (hectare) | 21,670 | 26,668 | (4,998) | -19% |
| Immature area (hectare) | 6,809 | 8,771 | (1,962) | -22% |
| Oil extraction rate (%) | 19.11% | 19.04% | 0.07% | 0% |
| Kernel extraction rate (%) | 4.45% | 4.21% | 0.24% | 6% |

HEALTHCARE DIVISION

Healthcare Division recorded 2% increased in revenue mainly due to the increase in average revenue per inpatients by 8%. However, there was a decrease in the number of inpatient and outpatient by 5% and 8% respectively, compared to the immediate preceding quarter. In addition, there is a decrease in occupancy rate and inpatient days by 7% and 6% respectively as compared to the immediate preceding quarter.

During the quarter, our Healthcare Division registered an EBITDA of RM11.1 million, compared to RM12.9 million in the immediate preceding quarter.

14. 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 2022 versus Q3 2022 (cont'd.)

HEALTHCARE DIVISION (cont'd.)

Below are the key operating statistics for Healthcare Division:

| Healthcare Statistics | Q4 2022 | Q3 2022 | Changes | % |
|------------------------------------|----------------|----------------|----------------|----------|
| Number of inpatient | 6,458 | 6,824 | (366) | -5% |
| Number of outpatient | 47,712 | 51,633 | (3,921) | -8% |
| Inpatient days | 18,473 | 19,677 | (1,204) | -6% |
| Occupancy rate (%) | 52% | 56% | -4% | -7% |
| Average length of stay (day) | 2.86 | 2.88 | (0.02) | -1% |
| Number of bed | 308 | 308 | - | 0% |
| Average revenue per inpatient (RM) | 9,451 | 8,725 | 726 | 8% |

15. 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 Division

CPO prices averaged RM5,116/mt for year 2022 after hitting an all-time high of RM8,074 in early March 2022. Physical spot-month CPO is currently being traded at RM3,800/mt to RM4,000/mt levels and PK at RM2,000/mt to RM2,100/mt levels. Palm oil wide discount to soya oil, sunflower oil and other soft oils continues to provide relatively strong support to palm oil price.

Palm oil stocks in both Malaysia and Indonesia have returned to a more manageable level with 2.19 million tonnes in Malaysia and 3.65 million tonnes in Indonesia for the year ended 31 December 2022. However, vegetable oil stock levels at two world biggest palm oil buyers at the beginning of January 2023 were at record high with 3.2 million tonnes in India and 1.7 million tonnes in China. This may limit further purchases by India and China in short term.

Migrant plantation workers continue to arrive at Malaysian plantations in batches, further easing the operational challenges and crop losses caused by shortage of workers especially the much-needed skilled harvesters being faced by many Malaysian plantation companies since the beginning of Covid 19 pandemic in 2020.

Malaysian palm oil exporters are still struggling to secure export shipments, facing stiff competition from Indonesia with relatively lower export prices. The strengthening of USD against many importing countries' currencies such as Pakistan and Egypt may limit the importing countries' ability to import more palm oil which is traded in USD as palm oil has now become relatively more expensive.

The outlook for 1st quarter and Year 2023

The global economy is forecasted to face significant challenges in the months ahead and threats of global recession could hurt palm oil demand. The IMF forecast global growth to slow from 6.1% in 2021 to 3.6% in 2022 and 2.7% in 2023. Buyers will have less purchasing power to import palm oil and consumption will fall if recession hits.

15. 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 2023 (cont'd.)

Production in Indonesia is forecasted to rise 2.4% to 48 million tonnes this year, from an estimated 46.87 million tonnes in 2022, whereas Malaysia's production is seen at 19 million tonnes, up 3% from 18.45 million tonnes in 2022. The marginal increase in production in Indonesia may not translate into bigger export for Indonesia as Jakarta's move to higher 35% palm oil bio-diesel blending mandate will increase demand for the edible oil even as discretionary blending declines with higher palm oil prices relative to diesel. This may allow Malaysia to export more in 2023 to meet the demand with the right pricing strategy as global supplies are expected to tighten over the next six months as palm oil remains at a large discount relative to competing soft oils before stocks expected to recover towards the end of 2023.

Palm oil prices is expected to continue to be influenced mainly by global economic uncertainties, changes in trade policies in Indonesia and major importing countries India and China, palm oil discounts against rival edible oils, potential weather caused disruptions in major edible oil production regions and the turning of event in the ongoing Ukraine-Russia conflict.

To cushion the potential downside of price movements, the company will continue to focus on cost rationalization and securing higher Certified Sustainable Palm Oil ("CSPO") and Certified Sustainable Palm Kernel ("CSPK") sales to capture higher CSPO and CSPK premiums for year 2023.

Divestment of Indonesia Plantation Division

The Conditional Share Purchase Agreement ("CSPA") was signed between TDM and Ikhasas Sawit Sdn Bhd on the 29th July 2022 for the disposal of PT Rafi Kamajaya Abadi ("PT RKA") and PT Sawit Rezki Abadi ("PT SRA") for a total consideration of RM115 million. PT RKA is fully operated by PT Ikhasas Sawit Indo Makmur through a management services arrangement started on 1 August 2022.

Healthcare Division

The Conditional Share Purchase Agreement ("CSPA") was signed between TDM and Ikhasas Sawit Sdn Bhd on the 29th July 2022 for the disposal of PT Rafi Kamajaya Abadi ("PT RKA") and PT Sawit Rezki Abadi ("PT SRA") for a total consideration of RM115 million. PT RKA is fully operated by PT Ikhasas Sawit Indo Makmur through a management services arrangement started on 1 August 2022.

Global headwinds arising from inflationary pressures coupled with the uncertainties in interest rate movement post as major risks for the Group while undertaking those growth initiatives. High cost of living and disposable income level will act as major parts to determine the spending level on healthcare.

The Group hopes that Malaysia's pace of economic recovery remains accelerated and witness a gradual improvement in the labor market. Private consumption growth is seen to be the engine for pent-up demand on healthcare treatment in future years.

Anticipating those, the Group expects to broaden its services landscape by offering more sub-specialty treatments to the public as well as better patients care. Operational efficiency continues to be adopted throughout the Group in the wake of rising costs of doing business.

In FY2023, the Group hopes to accelerate its presence in a few geographical areas while enhancing its brand name in the existing market.

16a. 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.

16b. Explanatory note for any shortfall in the profit guarantee

There was no profit guarantee issued for the quarter ended 31 December 2022.

17. Profit/(loss) for the year

| | Current year to date | |
|--|---------------------------------|------------------|
| | 31-Dec-22 | 31-Dec-21 |
| | RM'000 | RM'000 |
| The following amounts have been included in arriving at profit/(loss) before tax: | | |
| Finance costs | 23,623 | 24,776 |
| Depreciation of property, plant and equipment | 60,299 | 66,832 |
| Amortisation of intangible asset | 858 | 857 |
| Amortisation of right-of-use assets | 12,360 | 10,355 |
| Amortisation of contract assets | 2,946 | 2,863 |
| Property, plant and equipment written off | | |
| - Continuing | 912 | 920 |
| - Discontinued | - | 131 |
| Inventories written off - Continuing | 122 | 245 |
| Expected credit losses of trade receivables | 223 | 96 |
| Expected credit losses of other receivables - Discontinued | 2,860 | 3,413 |
| Reversal of expected credit losses of trade receivables | - | (168) |
| Reversal of expected credit losses of other receivables | - | (91) |
| (Gain)/loss on disposal of property, plant and equipment | (66) | 5 |
| Share of profits from estates payable to Lembaga Tabung Amanah Warisan Negeri Terengganu | 3,069 | 2,690 |
| Share of losses from estates by Majlis Agama Islam dan Adat Melayu Terengganu | (656) | (459) |
| Hibah income - Discontinued | (4) | (14) |
| Profit from al-Mudharabah | (2,388) | (3,016) |
| Land premium on sublessee land | - | (1,119) |
| Dividend income | (3,341) | (3,014) |
| (Reversal of impairment)/impairment of right-of-use assets | | |
| - Discontinued | (426) | 16,199 |
| (Reversal of impairment)/impairment of property, plant and equipment | | |
| - Discontinued | (1,716) | 64,519 |
| Impairment of goodwill | 2,500 | - |
| Provision/(reversal) for retirement benefit obligations | | |
| - Continuing | 704 | 447 |
| - Discontinued | (599) | 393 |
| Fair value changes in biological assets | | |
| - Continuing | 5,519 | (4,517) |
| - Discontinued | 441 | (189) |
| Reversal of accumulated profits payable to sublessee | (5,666) | (40,431) |

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

| | Current Quarter | | Current year to date | |
|--|------------------------|------------------|-----------------------------|------------------|
| | 31-Dec-22 | 31-Dec-21 | 31-Dec-22 | 31-Dec-21 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Current income tax | 11,008 | 24,586 | 20,293 | 32,918 |
| Under/(over) provision of income tax in prior year | <u>1,271</u> | <u>(1,397)</u> | <u>560</u> | <u>(1,379)</u> |
| | 12,279 | 23,189 | 20,853 | 31,539 |
| Deferred tax: | | | | |
| Relating to reversal of temporary differences | (906) | (3,177) | (2,790) | (2,797) |
| Under/(over) provision of deferred tax in prior year | <u>3,274</u> | <u>(510)</u> | <u>3,759</u> | <u>(496)</u> |
| Income tax expenses | <u>14,647</u> | <u>19,502</u> | <u>21,822</u> | <u>28,246</u> |

Income tax was calculated at the Malaysian statutory tax rate of 24% (2021: 24%) of the estimated assessable profit for the year.

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

19. Discontinued operation and disposal group classified as held for sale

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

| | Group | |
|---|------------------------|------------------------|
| | As at 31-Dec-22 | As at 31-Dec-21 |
| | RM'000 | RM'000 |
| Assets: | | |
| Property, plant and equipment | 67,379 | 67,594 |
| Right-of-use assets | 16,778 | 17,046 |
| Trade receivables | - | 136 |
| Other receivables | 17,814 | 19,951 |
| Prepayment | 1,975 | 14 |
| Biological assets | 3 | 444 |
| Inventories | 9 | 42 |
| Cash and bank balances | 166 | 439 |
| Assets held for sale | <u>104,124</u> | <u>105,666</u> |
| Liabilities: | | |
| Other payables | (34,676) | (9,217) |
| Retirement benefit obligations | (562) | (1,161) |
| Tax payable | <u>(48)</u> | <u>(34)</u> |
| Liabilities directly associated with assets held for sale | <u>(35,286)</u> | <u>(10,412)</u> |
| Net assets directly associated with disposal group | <u>68,838</u> | <u>95,254</u> |

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

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

| | Current year to date | |
|---|---------------------------------|-----------------------------|
| | 31-Dec-22 RM'000 | 31-Dec-21 RM'000 |
| Revenue | 3,203 | 4,215 |
| Cost of sales | (6,009) | (7,495) |
| Gross loss | (2,806) | (3,280) |
| Hibah income | 4 | 14 |
| Other income | 7 | - |
| Administrative expenses | (707) | (3,278) |
| Other expenses * | (28,188) | (83,931) |
| Loss before tax | (31,690) | (90,475) |
| Income tax expense | - | - |
| Loss for the year from discontinued operations, net of tax | (31,690) | (90,475) |

* Included in other expenses are expected credit losses on other receivables amounting to RM2.8 million and reversal of impairment of property, plant and equipments and right-of-use assets amounting to RM2.1 million, as well as a provision for compensation of environmental loss amounting to RM26.9 million (2021: expected credit losses on other receivables of RM3.4 million and impairment of property, plant and equipments and right-of-use assets of RM80.7 million).

20. Corporate proposal

Transactions (Chapter 10 of the Listing Requirements): Non-Related Party Transactions

TDM Berhad ("TDM" or the "Company") proposed disposal by TDM and a Minority Shareholder of their entire equity interests in PT Rafi Kamajaya Abadi ("PT RKA") and PT Sawit Rezki Abadi ("PT SRA") (Disposal Companies) to Ikkhasas Sawit Sdn Bhd for an aggregate cash consideration of RM115 million ("proposed disposal")

On 29 July 2022, in relation to the announcement made on 21 March 2022, Affin Hwang Investment Bank Berhad on behalf of the Board of Directors of TDM had announced that TDM and the Minority Shareholder had entered into the following with Ikkhasas Sawit Sdn Bhd, a party nominated by Ikkhasas CPO Sdn Bhd:

- (i) a conditional sale and purchase agreement for the disposal of 100% of the equity interest in PT RKA for a total cash consideration of RM110.00 million; and
- (ii) a conditional sale and purchase agreement for the disposal of 100% of the equity interest in PT SRA for a total cash consideration of RM5.00 million.

Ikkhasas Sawit Sdn Bhd remain committed to the acquisition process and is to disburse Third Payment on 1st February 2023 as per payment schedule established in the CSPA signed on the 29th July 2022.

21. Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 days (2021: 30 to 90 days) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

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

| | Group | |
|--|------------------|------------------|
| | As at | As at |
| | 31-Dec-22 | 31-Dec-21 |
| | RM'000 | RM'000 |
| Trade receivables - nominal amounts | 4,172 | 3,869 |
| Less: Allowance for expected credit losses | (3,207) | (2,984) |
| | 965 | 885 |

| | Group | |
|--------------------------------------|------------------|------------------|
| | As at | As at |
| | 31-Dec-22 | 31-Dec-21 |
| | RM'000 | RM'000 |
| Movement in allowance accounts: | | |
| At 1 January | 2,984 | 5,775 |
| Provision for expected credit losses | 223 | 96 |
| Reversal of expected credit losses | - | (168) |
| Written off | - | (2,719) |
| At 31 December | 3,207 | 2,984 |

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.

22. Borrowings and debt securities as at the end of the reporting year

Details of the Group's borrowings as at 31 December 2022 and 31 December 2021 are as follows:

As at 31 December 2022

| | Long term | Short term | Total borrowings |
|--------------------------------|------------------|-------------------|-------------------------|
| | RM'000 | RM'000 | RM'000 |
| Secured | | | |
| Bank loans | 382,160 | 62,384 | 444,544 |
| Bank overdraft | 10,252 | - | 10,252 |
| Obligation under hire purchase | 7,415 | 4,012 | 11,427 |
| | 399,827 | 66,396 | 466,223 |
| Unsecured | | | |
| Bank loans | 17,100 | - | 17,100 |
| | 416,927 | 66,396 | 483,323 |

As at 31 December 2021

| | Long term | Short term | Total borrowings |
|--------------------------------|------------------|-------------------|-------------------------|
| | RM'000 | RM'000 | RM'000 |
| Secured | | | |
| Bank loans | 395,719 | 45,952 | 441,671 |
| Bank overdraft | 19,047 | - | 19,047 |
| Obligation under hire purchase | 8,775 | 3,708 | 12,483 |
| | 423,541 | 49,660 | 473,201 |
| Unsecured | | | |
| Bank loans | 17,150 | - | 17,150 |
| | 440,691 | 49,660 | 490,351 |

23. 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 2022.

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

a) Appeal to Supreme Court of Indonesia

Ministry of Environment and Forestry of Indonesia - Plaintiff vs PT. Rafi Kamajaya Abadi ("PT RKA")

On 27 December 2021, PT RKA received lawsuit claims from the Ministry of Environment and Forestry of Indonesia for the alleged violation against the laws and regulations related to fire incident occurred in PT RKA's plantation in year 2019. The total claims filed by the Ministry of Environment and Forestry is Indonesia Rupiah ("Rp") 1,001,844,350,959 (approximately RM293,669,525), as follows:

- Total damages claimed amounting to Rp270,807,710,959 (approximately RM79,381,562) relating to compensation cost for environment impact verification, loss of ecology and loss of economy;
- Total compensation claimed amounting to Rp731,036,640,000 (approximately RM214,287,963) relating to costs of make good, reactivate the affected ecology system, repair and redevelop hydrology system, revegetation and monitoring.

PT RKA has appointed Jakarta International Law Office as its legal counsel in defending and dismissing the claims.

APPEAL:

During the first hearing of the case at District Court Sintang on 10 January 2022, the parties have agreed to refer this legal case under mediation process for amicable settlement. However, the mediation which was held on 17 January 2022, could not reach any settlement between the parties. Both parties have agreed to put this legal case into full trial.

The directors are of the opinion, based on legal advice and management assessment, that it has ground to defend in the legal process and no significant exposure will arise that requires recognition in the financial statements.

The Court of Sintang had on 8 August 2022 delivered its decision on the case as follows:

- i. The Court is of the view that the Plaintiff's claims is based on the 'strict liability' principle.
- ii. The Defendant is to pay a compensation of IDR270,807,710,959 (Approximately RM81,242,313) for the environmental loss to the National Account of Indonesia as per the claim by the Plaintiff.
- iii. The Defendant is to rehabilitate the environment on the affected area due to the fire incident of 2,560 ha and to reactivate the affected ecology system with the cost of IDR646,216,640,000 (Approximately RM193,864,992) as per the claim by the Plaintiff.
- iv. The Court rejected the rest of the Plaintiff's claims against the Defendant.
- v. The Court rejected the Defendant's counterclaims against the Plaintiff.
- vi. The Defendant to bear the cost of IDR2,519,000 (Approximately RM756).

Pursuant to the Conditional Sale & Purchase Agreement and the Management Services Agreement both dated 29 July 2022, PTRKA is now managed by PT Ikhasas Indo Makmur.

PT Ikhasas Indo Makmur has appointed a legal counsel to represent PTRKA in its appeal against the above decision.

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

a) Appeal to Supreme Court of Indonesia (cont'd.)

Ministry of Environment and Forestry of Indonesia - Plaintiff vs PT. Rafi Kamajaya Abadi ("PT RKA") (cont'd.)

PT RKA then appeal against the decision to the Pengadilan Tinggi Pontianak. Pengadilan Tinggi Pontianak had on 27 October 2022 decided as follows:

- i. The Court is of the view that the Respondent claims is based on the 'strict liability' principle.
- ii. The Appellant is responsible on the loss due to the fire incident based on the 'strict liability' principle.
- iii. The Appellant is to pay a compensation of IDR188,977,440,000.00 (Approximately RM53,504,371) for the environmental loss to the National Account of Indonesia as per the claim by the Respondent (Reduced from IDR270,807,710,959 (Approximately RM81,242,313)).
- iv. The Appellant is to rehabilitate the environment on the affected area due to the fire incident of 2,560 ha and to reactivate the affected ecology system with the cost of IDR731,036,640,000.00 (Approximately RM206,975,266). (Increased from IDR646,216,640,000 (Approximately RM193,864,992)).

PTRKA is now appeal against the above the decision to the Supreme Court of Indonesia in Jakarta.

b) Jaksa Penuntut Umum Negeri Sintang, Indonesia ("Public Prosecutor") vs PT RKA

The Defendant has been served summon and statement of claim dated 7 February 2022 by the Plaintiff at the Court of Sintang, Kalimantan Barat, Indonesia.

The Defendant is charged under Article 99(1) and Article 116(1) of Indonesian Laws No. 32 year 2009 on Environmental Protection and Management where upon conviction will subject to imprisonment of not less than 1 year and not more than 3 years, and fine of not less than IDR1,000,000,000 (approximately RM292,000) and not more than IDR3,000,000,000 (approximately RM875,000).

Pursuant to the Conditional Sale & Purchase Agreement and the Management Services Agreement both dated 29 July 2022, PTRKA is now managed by PT Ikhasas Indo Makmur.

PT Ikhasas Indo Makmur has appointed a new legal counsel Messrs. M Tamsil Sjoekoer & Rekan to represent PTRKA in its appeal against the above decision.

The Court of Sintang had on 10 October 2022 imposed a penalty of IDR2,000,000,000.00 (approximately RM606,206.00) under Article 99(1) of Laws No. 32 year 2009 on Environmental Protection and Management and a cost of IDR5000.00 (approximately RM1.50).

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

b) Jaksa Penuntut Umum Negeri Sintang, Indonesia (“Public Prosecutor”) vs PT RKA (cont'd.)

PTRKA then filed an appeal to Pengadilan Tinggi Pontianak, and Pengadilan Tinggi Pontianak decided to uphold the decision of Pengadilan Negeri Sintang that PTRKA is guilty and liable to a fine of IDR2,500,000,000.00 (approximately RM707,814).

PTRKA is now appeal against the above the decision to the Supreme Court of Indonesia in Jakarta.

The directors are of the opinion, based on legal advice and management assessment, that it has ground to defend the case.

c) High Court of Malaya at Kuantan [CA-22NCVC-46-11/2019]

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

Plaintiff claims against Defendant for the sum of RM1,298,415 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 being cost of repair and/or rectify the defect of the said premise.

On 9 to 11 November 2020, the Court had fixed for the status of settlement to be on 23 December 2020.

The court had fixed for a Case Management date on 16 February 2023 for the update of completion of the Notes of Proceeding before giving another date for filing of Written Submission by Parties. The case management on 16 February 2023 has been postponed to 27 March 2023.

The directors are of the opinion, based on legal advice and management assessment, that no significant exposure will arise that requires recognition in the financial statements.

25. Dividend

A single-tier interim dividend in respect of the financial year ended 31 December 2022, of 0.17% on 1,722,881,001 ordinary shares, amounting to a dividend payable of RM2,928,890 (0.17 sen per ordinary share) was approved on 12 December 2022 and paid on 17 January 2023.

26. (Loss)/profit per share

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

| | Individual Quarter | | Cumulative Quarter | |
|---|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | Current Quarter Ended | Preceding Quarter Ended | Current Quarter To date | Preceding Quarter To date |
| | 31-Dec-22 | 31-Dec-21 | 31-Dec-22 | 31-Dec-21 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Loss net of tax attributable to owners of the parent used in the computation of basic loss per share | (19,779) | (35,136) | (23,665) | (29,518) |
| Add back: Loss from discontinued operation, net of tax, attributable to owners of the parent | 23,676 | 84,065 | 31,210 | 84,865 |
| Profit net of tax from continuing operations attributable to owners of the parent used in the computation of basic loss per share | 3,897 | 48,929 | 7,545 | 55,347 |
| | 31-Dec-22 | 31-Dec-21 | 31-Dec-22 | 31-Dec-21 |
| | number of ordinary shares '000 |
| Weighted average number of ordinary shares in issue for basic (loss)/profit per share computation | 1,722,881 | 1,722,881 | 1,722,881 | 1,722,881 |
| (Loss)/profit per share attributable to owners of the parent (sen per share): | | | | |
| Basic (loss)/profit per share (sen per share) | (1.14) | (2.04) | (1.37) | (1.72) |
| - continuing operations | 0.23 | 2.84 | 0.44 | 3.21 |
| - discontinued operation | (1.37) | (4.88) | (1.81) | (4.93) |

27. The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 28 February 2023.

BY ORDER OF THE BOARD

BADROL ABU BAKAR
Company Secretary
Kuala Terengganu
28 February 2023