



**MEDIA RELEASE**  
For Immediate Release

**25 AUGUST 2020**

## **TDM ANNOUNCES LOWER REVENUE FOR THE SECOND QUARTER OF 2020**

**The Group recorded EBITDA of RM5.0 million for the 2QFY2020**

**Kuala Terengganu** – TDM Berhad (“TDM” or “the Group”) today announced its financial results for the second quarter ended 30 June 2020 (“2QFY2020”).

The Group recorded revenue in 2QFY2020 of RM83.9 million, compared to RM99.5 million in the previous corresponding quarter. The revenue is contributed by both Plantation and Healthcare divisions bringing in RM47.9 million and RM36.1 million respectively. As the operation in 2QFY2020 was affected by Covid-19, the revenue contributed by Healthcare division dropped by 35% compared to the same quarter in 2019. In comparison to 1QFY2020, revenue from Healthcare division dropped by 22%. The Group recorded EBITDA of RM5.0 million in the current quarter, compared to RM17.1 million in the previous corresponding quarter.

For the 1HFY2020, the Group registered revenue of RM191.8 million, compared to RM204.3 million in the previous corresponding period. In term of operating performance, the Group recorded EBITDA of RM26.6 million for the 1HFY2020, compared to RM39.5 million in the previous corresponding period.

	Quarter Ended			Six Months Ended		
	Q2 2020 RM'000	Q2 2019 RM'000	Var %	1H 2020 RM'000	1H 2019 RM'000	Var %
<b>Revenue</b>						
Plantation	47,868	44,444	8	96,063	91,073	5
Healthcare	36,070	55,077	(35)	95,699	113,190	(15)
<b>(LBT)/PBT</b>						
Plantation	(10,037)	(2,752)	>100	(16,539)	(3,643)	>100
Healthcare	(8,375)	2,389	>100	(5,367)	7,110	>100
<b>EBITDA</b>						
Plantation	7,442	10,108	(26)	20,029	23,235	(14)
Healthcare	(2,407)	6,977	>100	6,593	16,350	(60)

### **Malaysia Plantation Division**

The Plantation business's revenue recorded higher revenue in 2QFY2020 by 8% mainly contributed by higher crude palm oil ("CPO") and palm kernel ("PK") average prices by 17% and 20% respectively.

Our Malaysian plantation business registered an EBITDA of RM7.4 million during the quarter, compared to RM10.1 million in same quarter last year.

Meanwhile, for the 1HFY2020, the Plantation business recorded higher revenue by RM5% compared to the corresponding period last year. The division registered an EBITDA of RM20.0 million, compared to RM23.2 million in the previous corresponding period.

TDM's Chairman, Yang Mulia Raja Dato' Idris Raja Kamarudin said "TDM Group will remain focused in improving productivity and optimizing production cost. We are committed with our replanting program which has commenced since year 2012, to rejuvenate our estates in Terengganu in improving age profile and stand per hectare, towards achieving higher yield and optimizing mechanisation."

### **Indonesia Plantation Division**

The challenges in concluding the sale of our subsidiaries in Indonesia has led to the decision by the Board to terminate the proposed disposal to PT Aragon Agro Pratama. Notwithstanding the above, the management is committed to disposing of the said assets and will continue to identify appropriate buyer(s) and follow up with necessary announcements when there is further development.

### **Healthcare Division**

Meanwhile, our Healthcare business registered lower revenue by 35% from RM55.1 million to RM36.1 million during the quarter, compared to the previous corresponding quarter due to lower number of inpatient and outpatient by 53% and 28% respectively.

During the quarter, the division recorded negative EBITDA at RM2.4 million, compared to an EBITDA of RM7.0 million in the previous corresponding quarter.

The current COVID-19 pandemic and lockdowns have impacted the healthcare sector where patients postponed non-urgent treatments, with the worst impact saw in April and May. However, number of patients is picking up as lockdowns eased and re-opening of businesses. However, the sector remained caution on the rising concerns of COVID-19 second wave and prolonged uncertainties in the market.

"TDM's Healthcare business has formulated several strategies to address the challenges through our Business Continuity Plan and Business Recovery Plan, including g various COVID-19 related services, online healthcare consultation and promotion of home delivery. The strategies have positively contributed our revenue. The number of inpatient and outpatient from month of July onward has also improved."

## **GROUP**

In term of financial position, further to the announcement made by the Company on 17 April 2020 in relation to the commencement of implementation of the Medium Term Supply Agreement, and subsequent receipt of proceeds from the contract, the Group cash flow has significantly improved with higher cash and bank balance as at 30 June 2020 of RM137 million, compared to RM90 mil as at 31 Dec 2019.

The proceeds shall be utilised for repayment of bank borrowings, capital expenditure to upgrade our operation, and working capital purposes.

The Group is cautiously optimistic of achieving satisfactory operating performance in the remaining period of the year,” said Yang Mulia Raja Dato’ Idris Raja Kamarudin.

## **Government Initiatives benefited by TDMB**

The Government initiatives under Penjana and Prihatin Program, has helped to ease the financial impact of Covid 19 to the Group where interest expense reduced due to moratorium given by banks and “subsidi upah” received helps to reduce Cost of Sale.

## **Shariah Compliance Status**

SC Shariah Advisory Board will conduct the yearly review of the Shariah Compliance status of the listed companies based on the published Annual Report.

TDM has recently published the Annual Report 2019 to Bursa Malaysia in June 2020. Based on the SC’s revised Shariah screening methodology, TDM was excluded from SC’s list of Shariah Securities updated on 27 November 2015 TDMB did not comply to the revised Activity-Based Benchmarks where the allowable limit was tightened to 5% from 10%. In October 2018, TDMB had restructured the IDR Notes and the Credit Linked Notes and as at todate we have complied with the revised Activity-Based Benchmarks. We expect to be back into the shariah compliance status based on SC’s Shariah screening methodology in the next review in November 2020.

**\*\*END\*\***

---

### **About TDM Berhad**

Incorporated in 1965, TDM Berhad is listed on the Main Market of Bursa Malaysia’s with core businesses in oil palm plantation and healthcare services.

The Group’s plantation arm, TDM Plantation Sdn Bhd manages 17 oil palm plantations and two (3) palm oil mills located in Terengganu and Indonesia.

TDM Plantation Sdn Bhd has obtained 100% RSPO and MSPO certificates. RSPO provides the most suitable framework that take into account economic, social and environment features in development and management of plantation. It supports economic growth targets, promotion of rural livelihoods and improved environmental outcomes at scale.

Under Kumpulan Medic Iman Sdn Bhd (KMDI), TDM owns four (4) community specialist hospitals that provides quality and affordable secondary healthcare services. The hospitals are Kelana Jaya Medical Centre (KJMC), Petaling Jaya, Selangor, Kuantan Medical Centre (KMC), Kuantan, Pahang, Kuala Terengganu Specialist Hospital (KTS), Kuala Terengganu and TDMC Hospital, Kuala Lumpur

For further details, please visit our website [www.tdmberhad.com.my](http://www.tdmberhad.com.my)

---

### **Contact Person :**

Norfarizan Hashim

Corporate Communication Department

Telephone No. +609 6204800 / +6019 9155401

Fax +609 6204803

Email [norfarizan.hldg@tdmberhad.com.my](mailto:norfarizan.hldg@tdmberhad.com.my)