



MEDIA RELEASE

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TDM TURNS INTO PROFIT OF RM 27.7 MILLION FOR THE THIRD QUARTER OF 2020

- **Stronger performance in 3QFY2020 by Plantation division from higher crop volume and better average CPO price.**
- **Good recovery by Healthcare business in 3QFY2020**

Kuala Terengganu – TDM Berhad (“TDM” or “the Group”) today announced its financial results for the third quarter ended 30 September 2020 (“3QFY2020”).

The Group recorded a profit before tax of RM27.7 million in 3QFY2020, an increase of more than 100% against 3QFY2019, mainly contributed by stronger performance by the plantation division. Group Revenue is higher by 15% at RM121.4 million compared to previous quarter. During the quarter, the purchase of outside crop has increased by 62% compared to last quarter and this has helped to improve CPO volume as well as our mill utilization rate.

For the 9 months ended 30 September 2020 (“9M2020”), the Group posted a profit before tax of RM5.8 million against losses of RM0.2 million in the previous corresponding period, an increase of more than 100% against 9M2019. The Group recorded revenue of RM313.2 million for 9 months period, compared to RM310.2 million in the previous corresponding period.

	Quarter Ended			Nine Months Ended		
	Q3 2020 RM'000	Q3 2019 RM'000	Var %	9M 2020 RM'000	9M 2019 RM'000	Var %
Revenue						
Plantation	71,481	47,515	50	167,544	138,588	21
Healthcare	49,939	58,412	(15)	145,638	171,602	(15)
Investment holding	-	-	-	-	-	-
(LBT)/PBT						
Plantation	22,387	2,697	>100	22,319	7,195	>100
Healthcare	1,668	3,208	(48)	(3,698)	10,317	<100
Investment holding	3,661	(9,612)	> 100	(12,812)	(17,759)	28
EBITDA						
Plantation	37,970	12,501	> 100	67,842	36,838	84
Healthcare	7,559	8,608	(12)	9,945	24,958	(60)
Investment holding	9,883	(4,491)	> 100	37	(5,599)	<100

Malaysia Plantation Division

The Plantation business's good result mainly driven by higher CPO and PK average prices of 34% and 29% respectively, and higher sales volume of CPO and PK by 17% and 9% respectively compared to the previous corresponding quarter.

Our Malaysian plantation business registered an EBITDA of RM38.0 million during the quarter, compared to RM12.5 million in same quarter last year.

Meanwhile, for the 9MFY2020, the Plantation business recorded higher revenue by 21% compared to the corresponding period last year mainly from higher CPO and PK prices by 29% and 25% respectively. The division registered an EBITDA of RM67.8 million, compared to RM36.8 million in the previous corresponding period.

"The newly acquired TDM-YT Plantation Sdn. Bhd (TDMYT), has contributed to the higher sales volume of CPO and PK during the quarter. The management has identified the Value Creation Plan for TDMYT and are now implementing the plan to improve the performance of the estate. The acquisition has positively contributed to TDM's performance," said TDM's Chairman, Yang Mulia Raja Dato' Idris Raja Kamarudin.

Healthcare Division

Meanwhile, as the healthcare division is recovering from the impact of Movement Control Order ("MCO") implemented since March 2020, the division recorded revenue of RM49.9 million or lower by 15% against the previous corresponding quarter.

During the quarter, the division recorded lower EBITDA of RM7.6 million, compared to an EBITDA of RM8.6 million in the same quarter last year.

Although the current COVID-19 pandemic is still on-going, the recovery of the healthcare division has helped to return it to black during the quarter. Even though it shows lower revenue by 15% compared the previous corresponding quarter, we are encouraged to see good recovery in the numbers compared to 2QFY2020, where number of inpatient and outpatient against 2QFY2020 increased by 65% and 28% respectively.

"The Group will remain focused in improving productivity and optimizing production cost for our Plantation business. The recent acquisition of TDMYT is one of the key initiatives in our effort to increase our production and improve the overall age profile of the Group. Meanwhile for our Healthcare, we continue to reinvent product and service offerings to face economic and business challenges impacted by the pandemic COVID-19. We have formulated several strategies to address the challenges through our business continuity plan and business recovery plan. Overall, the Group is cautiously optimistic of achieving satisfactory operating performance in the current financial year," said Yang Mulia Raja Dato' Idris Raja Kamarudin.

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 estates and three (3) palm oil mills, three (3) Bio-Composting plants and three (3) Biogas plant 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 (KMI), 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

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