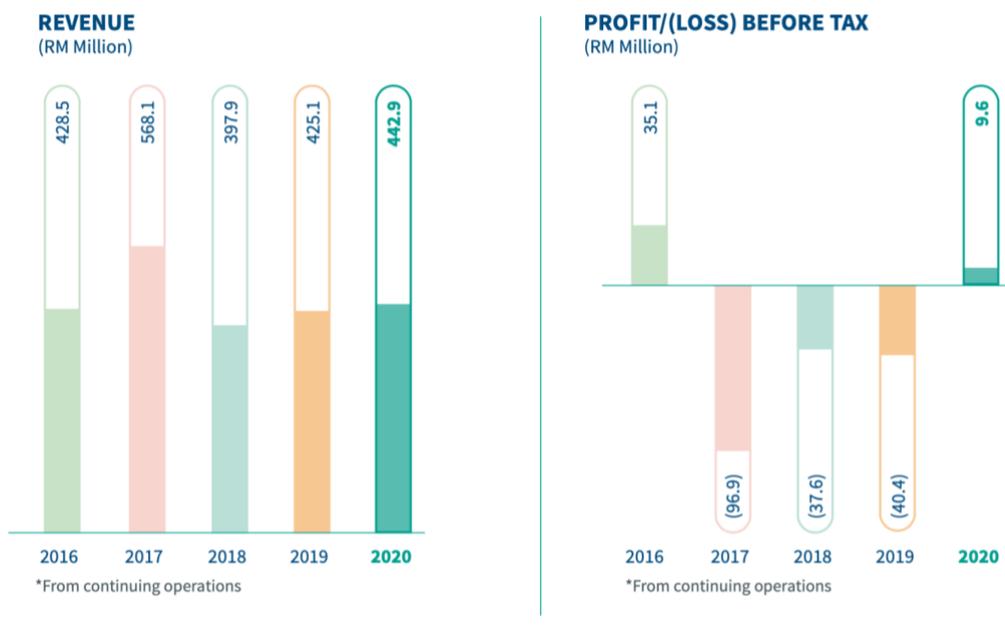


TDM POSTED PROMISING GROWTH FOR 2020

A Significant Move Forward Amid the Challenging Operating Year

Kuala Terengganu – Despite an unprecedented year in review challenged by the COVID-19 global pandemic, **TDM Berhad ("TDM" or "The Group")** remains optimistic over our long-term goal to achieve sustainable and profitable growth for our shareholders and other stakeholders. This confidence in the wake of the significant growth in performance for the financial year of 2020 (FY2020) is anchored in our established position as a market leader in certified sustainable palm oil (CSPO) and community-based healthcare. The Group's long-standing businesses in Plantation and Healthcare have the solid fundamentals and steely resilience to endure and prevail over the occasional anomaly in annual financial returns.



Source: TDM Berhad 2020 Annual Report, page 15

TDM achieved a Revenue of RM442.9 million for FY2020, which is an increase of 4.2% over the RM425.1 million recorded in FY2019. The growth was driven by our Plantation Division on the back of higher palm oil prices, and we had minimal production disruptions caused by the pandemic. In contrast, though currently in a recovery stage after many rounds of Movement Control Order (MCO), we experienced a steep drop in patient loads at our hospitals. These had also backed the Group at registering an adjusted EBITDA of RM96.4 million, a massive 51% growth compared to the adjust EBITDA of RM63.6 million in the previous year.

INCOME STATEMENT	2020	2019	2018	2017	2016
Revenue (RM'000)	442,877	425,070	397,947	568,126	428,545
Profit/(Loss) Before Tax (RM'000) - continuing operations	9,590	(40,385)	(37,586)	(96,877)	35,096
Adjusted EBITDA (RM'000) - continuing operations	96,385	63,639	35,451	42,798	91,844
Profit/(Loss) After Tax (RM'000) - continuing operations	1,364	(35,837)	(36,020)	(123,469)	17,068
Loss After Tax (RM'000) - discontinued operations	(12,515)	(174,084)	(82,025)	-	-
(Loss)/Profit After Tax (RM'000) - Total	(11,151)	(209,921)	(118,045)	(123,469)	17,068
STATEMENTS OF FINANCIAL POSITION					
Total Assets (RM'000)	1,876,872	1,665,214	1,848,121	2,313,607	2,313,520
Total Liabilities (RM'000)	1,121,010	924,629	918,228	1,251,256	1,246,771
Shareholders' Equity (RM'000)	770,853	769,274	949,096	1,077,169	1,071,954
KEY FINANCIAL INDICATORS					
PBT/(LBT) Margin (%) - continuing operations	2.17	(9.50)	(9.44)	(17.05)	8.19
Return on Average Shareholders' Equity (%)					
- continuing operations	0.18	(4.17)	(3.56)	(11.49)	1.42
Profit/(Loss) Per Share (sen) - continuing operations	0.11	(2.13)	(2.18)	(7.07)	1.34
Net Assets Per Share (RM)	0.44	0.44	0.55	0.64	0.71
Net Dividends Per Share (sen)	0.52*	-	-	0.50	0.50
Gearing Ratio (times)	0.48	0.45	0.41	0.47	0.48
Current Ratio (times)	1.58	1.35	0.66	0.79	1.22
Price to Earnings Ratio (times) - continuing operations	322.73	(19.72)	(7.80)	(6.36)	50.75
Price to Book Ratio (times)	0.81	0.95	0.31	0.70	0.96

*Partly subject to shareholders approval at the 56th Annual General Meeting.

Source: TDM Berhad 2020 Annual Report, page 14

Our higher Total Revenue led to a Profit Before Tax (PBT) of RM9.6 million, completing a turnaround following significant losses in FY2019 (-RM40.4 million), FY2018 (-RM37.6 million) and FY2017 (-RM96.8 million); where the results were affected by impairments on loss of investment of FY2019 (RM108.4 million), FY2018 (RM22.6 million) to our plantation assets in Kalimantan, Indonesia. However, it is worth noting that the PBT clocked for the year under review is in sharp contrast to the losses reported in FY2019, FY2018 and FY2017.

In terms of Profit/Loss After Tax (PAT/LAT), the Group incurred a total comprehensive LAT of -RM11.2 million for FY2020 owing to a loss of -RM12.5 million from discontinued operations (at our Kalimantan plantations), which effectively wiped out the marginal PAT from continuing operations of RM1.4 million. In comparison, the total comprehensive LAT for FY2019 was -RM209.9 million and FY2018 was -RM118.0, while LAT from continuing operations were -RM35.8 million and -RM36.0, respectively

Our plantations in Kalimantan continued to be stricken throughout the year by a stop-work order lasting six months back in 2016 and the subsequent challenges on the ground on top of the existing restrictions caused by the pandemic, which also halted its disposal in the same year. This had caused significant impairment of our investment in Kalimantan during FY2017 until FY2020. The sale process is progressing well although there are delays in completing the transaction process due to the imposition of social distancing restriction in Indonesia. The Group remains positive with the divestment process as the CPO price has reached new high and the continuing rehabilitating program will bode well with the overall process. Quarter one (Q1) of 2021 has seen a great improvement by our Kalimantan operations which recorded a net loss after tax of only -RM0.3 million as compared to -RM4.4 million in Q1 of 2020, reflecting the hard work by the management on the ground.

Moving ahead, TDM is determined to maintain the momentum of our FY2020 recovery by capitalising on post-pandemic opportunities to accelerate growth. Accordingly, we have taken stock of the comparative advantages that we can harness to stimulate performance. At the same time, in tandem, we identified shortcomings and challenges that we have already started addressing and redressing for the FY2021 and the upcoming years ahead.

To find out more about our 2020 journey and financial performance, please refer to our 2020 Annual Report which is available on our corporate website www.tdmberhad.com.my.