



MEDIA RELEASE

For Immediate Release

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**TDM BERHAD CONTINUES TO GROW:
2QFY2021 REVENUE UP BY 32%, EBITDA GREW FROM
RM5.0 MILLION TO RM22.7 MILLION**

- Stronger performance in 2QFY2021 by Plantation division from better average CPO and PK price.
- Gradual recovery of revenue by Healthcare division arising from an increased number of patients and surgeries undertaken in 2021.

Kuala Terengganu – TDM Berhad (“TDM” or “the Group”) today announced its financial results for the second quarter ended 30 June 2021 (“2QFY2021”).

The Group recorded revenue in 2QFY2021 of RM111.0 million, compared to RM83.9 million in the previous corresponding quarter. The revenue is contributed by better performance in both Plantation and Healthcare divisions bringing in RM57.3 million and RM53.7 million respectively. In comparison to 2QFY2020, revenue from Healthcare division increased by 49%. The Group recorded an EBITDA of RM22.7 million in the current quarter, compared to RM5.0 million in the previous corresponding quarter. For the 1HFY2021, the Group registered a revenue of RM213.8 million, compared to RM191.8 million in the previous corresponding period. In terms of operating performance, the Group recorded an EBITDA of RM46.0 million for the 1HFY2021, compared to RM26.6 million in the previous corresponding period.

The Group recorded a loss before tax of RM1.4 million in 2QFY2021, as against loss before tax in 2QFY2020 of RM18.4 million, mainly due to stronger performance by the plantation division.

	Quarter Ended			Six Months Ended		
	Q2 2021 RM'000	Q2 2020 RM'000	Var %	1H 2021 RM'000	1H 2020 RM'000	Var %
Revenue						
Plantation	57,331	47,867	20	107,820	96,063	12
Healthcare	53,683	36,071	49	105,969	95,699	11
Investment holding and others	-	-	-	-	-	-
Total Revenue	111,014	83,938	32	213,789	191,762	11
(LBT)/PBT						
Plantation	5,961	(6,622)	>100	10,216	(6,365)	>100
Healthcare	(185)	(8,375)	98	(740)	(5,367)	86
Investment holding and others	(7,167)	(3,416)	>(100)	(14,199)	(10,175)	(40)
Total LBT	(1,391)	(18,413)	92	(4,723)	(21,907)	78

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	Quarter Ended			Six Months Ended		
	Q2 2021 RM'000	Q2 2020 RM'000	Var %	1H 2021 RM'000	1H 2020 RM'000	Var %
EBITDA						
Plantation	20,192	7,430	>100	41,084	23,609	74
Healthcare	6,189	(2,407)	>100	12,116	6,593	84
Investment holding and others	(3,698)	10	>(100)	(7,249)	(3,582)	>(100)
Total EBITDA	22,683	5,033	>100	45,951	26,620	73

Malaysia Plantation Division

The Plantation business's good result was mainly driven by higher crude palm oil ("CPO") and palm kernel ("PK") average prices of 77% and 96% respectively compared to the previous corresponding quarter.

Our Malaysian plantation business registered an increase in EBITDA of RM20.2 million during the quarter, compared to RM7.4 million in the same quarter last year.

Meanwhile, for the 1HFY2021, the Plantation business recorded higher revenue by 12% compared to the corresponding period last year mainly contributed by higher CPO and PK average prices by 57% and 70% respectively. The division registered an EBITDA of RM41.1 million, compared to RM23.6 million in the previous corresponding period.

The palm oil experienced an extended rally since last year, fueled by tight supplies and demand recovery. However, the rally tapered off in June. Worries about lackluster demand and production recovery going forward have depressed palm oil prices recently. Indonesia and Malaysia production will enter the peak production season during 3rd quarter season and palm oil prices could be pressured by rising inventories.

Palm oil prices will remain volatile during 2nd half 2021 affected by other markets (U.S., SBO, Chinese Dalian and Crude oil market). Palm price is expected to average between RM3,000/mt to RM4,000/mt.

The Group will continue to focus securing higher CPO and PK sales price against MPOB and continue its effort to target higher premium from CSPO and CSPK sales by securing more contracts from our regular and reputable buyers for year 2021.

Healthcare Division

The Healthcare Division has recorded a gradual recovery from the impact of Movement Control Order ("MCO") implemented since March 2020, and the division recorded higher revenue by 49% from RM36.1 million to RM53.7 million during the quarter, compared to the previous corresponding quarter. This is primarily due to increase in number of inpatients and outpatients by 54% and 66% respectively as compared to the previous year corresponding quarter.

During the quarter, the division recorded lower EBITDA of RM6.2 million, compared to negative EBITDA of RM2.4 million in the previous corresponding quarter.

Healthcare Division (cont'd.)

Meanwhile, for the 1HFY2021, the Healthcare business recorded higher revenue by 11% compared to the corresponding period last year mainly contributed by increase in number of outpatients by 30%. The division registered an EBITDA of RM12.1 million, compared to RM6.6 million in the previous corresponding period.

Healthcare providers business performance will be much dependent on the attainment of herd immunity which is a major determinant for economic recovery. By end of December 2021, 80% of the population is expected to be fully vaccinated and marks the herd immunity level.

In support to Government initiative, the Group has participated as *Pusat Pemberian Vaksin* (PPV) centres with current daily vaccination rate of 500 persons. The Group has also been a centre for the transfer of non-covid patients from Government hospital through one of its hospital in East Coast.

The Group continues to benefit from the recently announced National People's Well-Being and Economic Recovery Package (PEMULIH) in respect of wage subsidy and loan moratorium whereby the Healthcare division is expected to reduce operational costs and improve the Group cash position. As precautionary measures, the Group is still practicing tight control over its operational and capital expenditures throughout year 2021.

Group

For the 2QFY2021, the Group registered an EBITDA of RM22.7 million, compared to RM5.0 million in the previous corresponding quarter, mainly due to stronger performance by Plantation division from better average CPO and PK price. Moreover, Healthcare division also recorded a better performance as a result of increased number of patients and surgeries undertaken in 2021.

Dividend Paid

(a) Interim Dividend

A single-tier interim dividend in respect of the financial year ended 31 December 2020, of 0.29% per share on 1,722,881,001 ordinary shares, amounting to a dividend payable of RM4,996,347 (0.29 sen per ordinary share) has been paid in April 2021.

(b) Final Dividend

On 24 June 2021, a single-tier final dividend in respect of the financial year ended 31 December 2020, of 0.23% on 1,722,881,001 ordinary shares, amounting to a dividend payable of RM3,962,619 (0.23 sen per ordinary share) has been paid in July 2021.

Such dividends have been accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2021.

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About TDM Berhad

Incorporated in 1965, TDM Berhad, also a member of Terengganu Incorporated Group, 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 15 oil palm estates and three (3) palm oil mills, three (3) Bio-Composting plants and three (3) Biogas plant located in Terengganu and Indonesia. All the estates in Terengganu are 100% Roundtable on Sustainable Palm Oil (RSPO) certified except for the Bukit Bidong Estate, and 100% Malaysian Sustainable Palm Oil (MSPO) certified.

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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