



**For Immediate Release**

**30 NOVEMBER 2021**

**TDM REGISTERED 9% REVENUE GROWTH FOR 3QFY2021 WITH IMPROVED PERFORMANCE BY ALL OPERATING SEGMENTS**

- **Stronger performance in 3QFY2021 by plantation division from higher average CPO and PK prices.**
- **Gradual recovery of revenue by healthcare division on the back of increased number of patients and surgeries undertaken within the period.**

**Kuala Terengganu** – TDM Berhad (“**TDM**” or “**the Group**”) today announced its financial results for the third quarter ended 30 September 2021 (**3QFY2021**).

The Group's revenue for the 3QFY2021 increased by 9% compared to the previous corresponding quarter. This encouraging performance was mainly attributed to higher revenue recorded by its healthcare and plantation divisions of RM6.5 million and RM4.2 million, or an increase of 13% and 6%, respectively. TDM also recorded a profit before tax (PBT) of RM18.9 million during the quarter, compared to RM27.7 million (including RM21.8 million one off gain) in the previous corresponding quarter.

For the nine months ended 30 September 2021 (9MFY2021), the Group's revenue improved by 10% compared to the previous corresponding period due to the revenue growth from its healthcare division by 12% or RM16.7 million and plantation division by 10% or RM16.0 million. TDM also registered a substantial increase in PBT of RM14.3 million, more than double the figure recorded during the previous corresponding period.

The profit before tax of RM27.7 million and RM5.8 million for 3QFY2020 and 9MFY2020 respectively is inclusive of one off gain on bargain purchase of RM21.8 million from the acquisition of TDM-YT Plantation Sdn. Bhd.

	Quarter Ended			Nine Months Ended		
	Q3 2021 RM'000	Q3 2020 RM'000	Var %	9M 2021 RM'000	9M 2020 RM'000	Var %
<b>Revenue</b>						
<b>Plantation</b>	75,726	71,481	6	183,546	167,544	10
<b>Healthcare</b>	56,422	49,939	13	162,391	145,638	12
<b>Investment holding and others</b>	-	-	-	-	-	-
<b>Total Revenue</b>	<b>132,148</b>	<b>121,420</b>	<b>9</b>	<b>345,937</b>	<b>313,182</b>	<b>10</b>

	Quarter Ended			Nine Months Ended		
	Q3 2021 RM'000	Q3 2020 RM'000	Var %	9M 2021 RM'000	9M 2020 RM'000	Var %
<b>PBT</b>						
<b>Plantation</b>	24,308	22,387	9	34,524	22,319	55
<b>Healthcare</b>	1,911	1,668	15	1,171	(3,698)	>100
<b>Investment holding and others</b>	(7,230)	3,661	>(100)	(21,429)	(12,812)	(67)
<b>Total PBT</b>	<b>18,989</b>	<b>27,716</b>	<b>(31)</b>	<b>14,266</b>	<b>5,809</b>	<b>146</b>
<b>EBITDA</b>						
<b>Plantation</b>	41,643	37,970	10	82,727	67,842	22
<b>Healthcare</b>	6,331	7,559	(16)	15,135	9,945	52
<b>Investment holding and others</b>	(4,095)	9,883	>(100)	(11,344)	37	>(100)
<b>Total EBITDA</b>	<b>43,879</b>	<b>55,412</b>	<b>(21)</b>	<b>86,518</b>	<b>77,824</b>	<b>11</b>

### **Malaysia Plantation Division**

The plantation division's notable performance was mainly driven by higher average crude palm oil (CPO) and palm kernel (PK) prices of 58% and 65%, respectively, compared to the previous corresponding quarter.

The company's plantation business in Malaysia registered an increase in EBITDA of RM41.6 million during the quarter, compared to RM37.9 million in the same quarter last year. The division also reported a higher PBT of RM24.3 million during the quarter, compared to RM22.4 million in the corresponding quarter of 2020.

Meanwhile, for the 9MFY2021, the plantation division recorded a 10% increase in revenue compared to the corresponding period last year, supported by higher average CPO and PK prices by 57% and 68% respectively. The division registered an EBITDA of RM82.7 million, in contrast to RM67.8 million of the previous corresponding period.

The division will continue to focus its effort on gaining more premiums from certified sustainable palm oil (CSPO) and certified sustainable palm kernel (CSPK) sales by securing more contracts with its regular and reputable buyers. With expected higher volumes of CSPO and CSPK, the company will be able to source for premiums from selling the International Sustainability and Carbon Certification (ISCC) certified products. On top of that, the company has carried out its maiden harvesting of MD2 pineapple in early November 2021, contributing to an additional revenue sourced from the Agri-Commodity sector.

### **Malaysia Plantation Division (cont'd.)**

Palm oil prices will remain strong during the second half of 2021 (2HFY2021), supported by other markets (U.S. Soya Bean Oil, Chinese Dalian and Crude Oil markets). Prices have dramatically increased in the 4QFY2021, with a record CPO price of above RM5,000/mt starting mid-October. PK price also rises above RM3,000/mt during the same period. CPO price is expected to average between RM4,000/mt to RM5,000/mt in the 2HFY2021.

The division's FFB production increased during the 3QFY2021 and will continue peaking up in the 4QFY2021, with an expected surge of 10%-15% against the last quarter. Its estates are anticipating a spill-over of FFB production from the 4QFY2021 to the 1QFY2022, with reasonably good crops expected in January and February 2022. The extend of monsoon, with possible loss of productive days for harvesting, and labor shortage for harvesting will lead to extended harvesting intervals in November and December. Currently, the company is managing well the labor shortage with additional intake of local labor.

### **Healthcare Division**

The Group's healthcare division experienced a gradual recovery from the impact of the Movement Control Order (MCO) implemented since March 2020. It reported a higher revenue by 13%, from RM49.9 million to RM56.4 million, during the quarter, compared to the previous corresponding quarter. This was primarily due to an increase in the number of outpatients by 24% and a higher average revenue per patient by 22% in contrast to the previous corresponding quarter.

During the quarter, the division also recorded a higher PBT of RM1.9 million, compared to RM1.7 million in the previous corresponding quarter.

Meanwhile, for the 9MFY2021, the healthcare business clocked a higher revenue by 12% compared to the corresponding period, mainly contributed by an increase in the number of outpatients by 42%. The division registered a significantly higher EBITDA of RM15.1 million, a 53% growth compared to RM9.9 million achieved in the previous corresponding period.

The recent transition of Phase Four of the National Recovery Plan, lifting of interstate travel restrictions, and reopening of economic sectors had shown a positive impact on the Group's revenue, particularly towards the end of September 2021. It is expected that the momentum will continue throughout the fourth quarter as the patient volume increases. Moreover, the fourth quarter is deemed to be a more promising quarter, evidenced by the healthcare industry's experience.

It is anticipated that the Group will continue to benefit from the public-private arrangement for the provision of non-covid care services. However, the revenue from the provision of covid tests will be on a declining trend as the majority of Malaysia's population has been fully vaccinated, and new cases of COVID-19 have decreased.

TDM is currently strategising its future capacity and capability expansion related development expenditure, which was delayed during the prolonged MCO period. The endemic state and the reopening of schools are expected to add further to the patient footprint. The paediatrics segment, which had recorded lower revenue contribution throughout the MCO period, is expected to increase in the fourth quarter. Higher patient volume in incoming months will also help to spur revenue growth.

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### **About TDM Berhad**

Incorporated in 1965, TDM Berhad, also a member of the Terengganu Inc 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 Healthcare), TDM owns five (5) community specialist hospitals that provides quality and affordable secondary healthcare services. The hospitals are KMI Kelana Jaya Medical Centre, Petaling Jaya, Selangor, KMI Kuantan Medical Centre, Kuantan, Pahang, KMI Kuala Terengganu Medical Centre, Kuala Terengganu, KMI Taman Desa Medical Centre, Kuala Lumpur and KMI Tawau Medical Centre, Sabah.

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

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