



TDM BERHAD

**COMPANY NO 6265-P
(Incorporated in Malaysia)**

**INTERIM FINANCIAL STATEMENTS
30 JUNE 2013**



TDM BERHAD (Company No 6265-P)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2013**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30-Jun-13 RM'000	Preceding Year Corresponding Quarter 30-Jun-12 RM'000	Current Quarter To date 30-Jun-13 RM'000	Preceding Quarter To date 30-Jun-12 RM'000
Revenue	81,143	96,693	171,226	194,364
Cost of sales	(58,774)	(63,900)	(110,704)	(115,682)
Gross profit	22,369	32,793	60,522	78,682
Other items of income				
Interest income	121	1,472	2,042	2,847
Other income	926	907	3,588	2,411
Other items of expense				
Distribution costs	(1,464)	(1,379)	(3,334)	(2,914)
Administration expenses	(22,738)	(19,149)	(41,548)	(39,672)
Other expenses	(3,329)	(820)	(6,050)	(1,738)
Finance costs	(18)	(18)	(36)	(50)
(Loss)/Profit before tax	(4,133)	13,806	15,184	39,566
Income tax expenses	(1,499)	(5,248)	(6,482)	(13,062)
(Loss)/Profit for the period, net of tax	(5,632)	8,558	8,702	26,504
Other comprehensive income :				
Available for sale investments' fair value movement	7	21	(10)	29
Foreign currency translation	500	1,406	447	(4,179)
Other comprehensive loss for the period, net of tax	507	1,427	437	(4,150)
Total comprehensive income for the period	(5,125)	9,985	9,139	22,354

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2013**

	Current Year Quarter 30-Jun-13 RM'000	Preceding Year Corresponding Quarter 30-Jun-12 RM'000	Current Quarter To date 30-Jun-13 RM'000	Preceding Quarter To date 30-Jun-12 RM'000
(Loss)/Profit attributable to:				
Owner of the parent	(5,421)	9,400	8,774	27,067
Non-controlling interest	(211)	(842)	(72)	(563)
	(5,632)	8,558	8,702	26,504
Total comprehensive (loss)/income attributable to:				
Owner of the parent	(4,914)	10,827	9,211	22,917
Non-controlling interest	(211)	(842)	(72)	(563)
	(5,125)	9,985	9,139	22,354
Loss/ Earnings per share (sen):				
(a) Basic (Note 28)	(0.37)	3.88	0.59	11.23
(b) Diluted (Note 28)	-	3.87	-	11.18

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements)



TDM BERHAD (Company No 6265-P)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013**

	Unaudited As at 30-Jun-13 RM'000	Audited As at 31-Dec-12 RM'000
Assets		
Non-current assets		
Property, plant & equipment	662,796	630,575
Biological assets	567,974	541,423
Investment property	11,000	11,000
Goodwill	9,959	9,959
Other investments	4,700	4,700
Available for sale investments	85	95
	1,256,514	1,197,752
Current assets		
Inventories	36,194	33,982
Trade and other receivables	29,344	66,558
Prepayments	9,959	1,029
Tax recoverable	3,933	3,305
Cash and bank balances	115,813	212,554
	195,243	317,428
Total Assets	1,451,757	1,515,180
Current liabilities		
Borrowings	221	339
Trade and other payables	119,902	123,528
Tax payable	874	11,714
	120,997	135,581
Net current assets	74,246	181,847
Non-current liabilities		
Retirement benefit obligations	1,292	1,308
Borrowings	42,789	30,074
Deferred tax liabilities	88,079	88,759
	132,160	120,141
Total liabilities	253,157	255,722
Net assets	1,198,600	1,259,458

TDM BERHAD (Company No 6265-P)
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013**

	Unaudited As at 30-Jun-13 RM'000	Audited As at 31-Dec-12 RM'000
Equity attributable to owners of the parent		
Share capital	296,333	245,767
Share premium	33,063	80,908
Retained earnings	373,985	424,536
Other reserves	482,816	483,056
	1,186,197	1,234,267
Non-controlling interests	12,403	25,191
Total equity	1,198,600	1,259,458
Total equity and liabilities	1,451,757	1,515,180
 Net assets per share (RM)	0.81	5.12

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements)

TDM BERHAD (Company No 6265-P)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2013**

	Attributable to owners of the parent										Non-controlling interests RM'000
	Total equity RM'000	Equity attributable to owners of the parent RM'000	Non-distributable		Distributable	Total other reserves RM'000	Non-distributable				
			Share capital RM'000	Share premium RM'000	Retained earnings RM'000		Asset revaluation reserve RM'000	Foreign currency translation reserve RM'000	Share option reserve RM'000	Fair value adjustment reserve RM'000	
At 1 January 2013											
Opening balance as at 1 January	1,254,461	1,229,270	245,767	80,908	419,539	483,056	497,150	(14,752)	677	(19)	25,191
Total comprehensive income	9,139	9,211	-	-	8,774	437	-	447	-	(10)	(72)
Transactions with owners											
Lapsed of ESOS	(4)	(4)	-	-	-	(4)	-	-	(4)	-	-
Exercise of ESOS	2,048	2,048	1,177	1,544	-	(673)	-	-	(673)	-	-
Issuance of shares pursuant to bonus issue	-	-	49,389	(49,389)	-	-	-	-	-	-	-
Acquisition of minority interest	(12,716)	-	-	-	-	-	-	-	-	-	(12,716)
Dividends paid on ordinary shares	(54,328)	(54,328)	-	-	(54,328)	-	-	-	-	-	-
Total transactions with owners	(65,000)	(52,284)	50,566	(47,845)	(54,328)	(677)	-	-	(677)	-	(12,716)
At 30 June 2013	1,198,600	1,186,197	296,333	33,063	373,985	482,816	497,150	(14,305)	-	(29)	12,403
At 1 January 2012											
Opening balance as at 1 January	1,174,607	1,149,739	238,046	64,069	347,161	500,463	500,435	(1,119)	1,110	37	24,868
Total comprehensive income	22,354	22,917	-	-	27,067	(4,150)	-	(4,179)	-	29	(563)
Transactions with owners											
Issuance of ordinary shares pursuant to ESOS	8,945	8,945	3,795	5,150	-	-	-	-	-	-	-
Share options granted under ESOS	258	258	-	-	-	258	-	-	258	-	-
Exercise of ESOS	(2,099)	(2,099)	-	-	-	(2,099)	-	-	(2,099)	-	-
Acquisition of subsidiary	147	-	-	-	-	-	-	-	-	-	147
Lapsed of ESOS pursuant to disposal of a subsidiary	(436)	(436)	-	-	-	(436)	-	-	(436)	-	-
Dividends paid on ordinary shares	(45,376)	(45,376)	-	-	(45,376)	-	-	-	-	-	-
Total transactions with owners	(38,561)	(38,708)	3,795	5,150	(45,376)	(2,277)	-	-	(2,277)	-	147
At 30 June 2012	1,158,401	1,133,949	241,841	69,219	328,852	494,036	500,435	(5,298)	(1,167)	66	24,452

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements)



TDM BERHAD (Company No 6265-P)
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2013**

	Period Ended	
	30-Jun-13 RM'000	30-Jun-12 RM'000
Cash flows from operating activities		
Profit before tax	15,184	39,566
Adjustments for:		
Interest expense	36	50
Depreciation of property, plant and equipment	14,500	13,761
Inventories written off	-	5
Impairment loss on trade and other receivables	378	613
Dividend income	(4)	(3)
Interest income	(2,042)	(2,847)
Share options (lapsed)/granted under ESOS	(67)	258
Bad debts written off	-	2,641
Property, plant and equipment written off	139	-
Gain on disposal of a subsidiary	-	(404)
Payables written back	(1,568)	(503)
Other receivables written off	625	-
Total adjustments	<u>11,997</u>	<u>13,571</u>
Operating profit before working capital changes	<u>27,181</u>	<u>53,137</u>
<u>Changes in working capital</u>		
(Increase)/Decrease in inventories	(2,212)	735
Decrease in receivables	32,481	25,837
Decrease in payables	(16,631)	(11,184)
Total changes in working capital	<u>13,638</u>	<u>15,388</u>
Cash from operations	40,819	68,525
Interest paid	(36)	(50)
Interest received	2,042	2,847
Taxes paid	(14,905)	(32,789)
Retirement benefits paid	(16)	-
Net cash generated from operating activities	<u>27,904</u>	<u>38,533</u>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2013 (CONT'D)**

	Period Ended	
	30-Jun-13	30-Jun-12
	RM'000	RM'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(47,863)	(28,687)
Addition of plantation development expenditure	(26,550)	(18,151)
Dividend received	4	3
Acquisition of minority interest	(12,653)	-
Proceeds from disposal of a subsidiary	2,000	1,375
Net cash used in investing activities	<u>(85,062)</u>	<u>(45,461)</u>
Cash flows from financing activities		
Drawdown of term loans	12,911	-
Repayment of term loans	(94)	(94)
Repayment of hire purchase facilities	(183)	(427)
Proceeds from issuance of ordinary shares	2,111	7,008
Dividend paid	(54,328)	(45,376)
Net cash generated from financing activities	<u>(39,583)</u>	<u>(38,889)</u>
Net decrease in cash and cash equivalents	(96,741)	(45,816)
Cash and cash equivalents at beginning of the period	<u>212,554</u>	<u>224,424</u>
Cash and cash equivalents at end of the period	<u>115,813</u>	<u>178,608</u>
Cash and cash equivalents at end of the period comprise of the following:		
Cash on hand and at banks	21,883	18,848
Deposits with licensed banks	93,930	159,760
Cash and cash equivalents	<u>115,813</u>	<u>178,608</u>

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements)



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Explanatory Notes Pursuant to FRS 134

Notes:-

1. Accounting policies and methods

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2012. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2012.

2. Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated annual financial statements as at and for the year ended 31 December 2012 except as follows:

Effective for annual periods beginning on or after 1 July 2012 and 1 January 2013

Amendments to FRS 101 Presentation of Items of Other Comprehensive Income

Amendments to FRS 101 Presentation of Items of Financial Statements (Improvement to FRS (2012))

FRS 9 Financial Instruments

FRS 10 Consolidated Financial Statements

FRS 11 Joint Arrangements

FRS 12 Disclosure of Interests in Other Entities

FRS 13 Fair Value Measurement

FRS 119 Employee Benefits

FRS 127 Separate financial Statements

FRS 128 Investment in Associate and Joint Ventures

Amendments to FRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities

Amendments to FRS 1: First-time Adoption of Malaysian Financial Reporting Standards

Amendments to FRS 116: Property, Plant and Equipment (Improvements to FRS (2012))

Amendments to FRS 132: Financial Instruments: Presentation (Improvements to FRS (2012))

Amendments to FRS 134: Interim Financial Reporting (Improvements to FRS (2012))

Amendments to FRS 10: Consolidated Financial Statements: Transition Guidance

Amendments to FRS 11: Joint Arrangements: Transition Guidance

Amendments to FRS 12: Disclosure of Interests in Other Entities: Transition Guidance

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period under review.

Explanatory Notes Pursuant to FRS 134

2. Significant accounting policies (cont'd)

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of *MFRS 141 Agriculture* (MFRS 141) and *IC Interpretation 15 Agreements for Construction of Real Estate (IC 15)*, including its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2014.

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2014. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amount reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profit.

3. Declaration of audit qualification

The preceding annual financial statements for the year ended 31 December 2012 were reported without any qualification.

4. Seasonal or cyclical factors

The operations of the Group are not affected by any cyclical factors, other than the cyclical production of fresh fruit bunches (FFB).

5. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence during the quarter ended 30 June 2013.

6. Nature and amount of changes in estimates of amounts reported in prior interim periods of the current financial year, which give a material effect in the current interim period

There were no changes in estimates of amounts, which give a material effect in the current interim period.

7. Details of issue, cancellation, repurchase, resale and repayment of debt and equity securities

During the current quarter, the Company had issued 49,388,722 new shares pertaining to Bonus Issue. The issued and paid up capital of the Company after the Bonus Issue were 296,332,336 shares.

After the completion of Bonus Issue, the Company implemented a share split exercise, whereby the issued and paid up capital of TDM of RM296,332,336 comprising 296,332,336 ordinary shares of RM1.00 each has been subdivided into RM296,332,336 comprising 1,481,661,680 ordinary shares of RM0.20 each. .

Apart from above, there were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter.

Explanatory Notes Pursuant to FRS 134

8. Dividends paid

On 7 June 2013, the Company has paid a first and final dividend of 22 sen per ordinary share, tax exempt under the single-tier system in respect of the financial year ended 31 December 2012 as approved by shareholders at the Company's AGM on 23 May 2013.

9. Segmental reporting

	PLANTATION RM'000	HEALTH RM'000	OTHERS RM'000	GROUP RM'000
3 months ended 30 June 2013				
Revenue				
Total revenue	60,184	30,768	-	90,952
Intersegment-revenue	(8,298)	(1,511)	-	(9,809)
External revenue	<u>51,886</u>	<u>29,257</u>	-	<u>81,143</u>
Segment result (external)	(7,418)	3,285	-	(4,133)
Profit before taxation				<u>(4,133)</u>

3 months ended 30 June 2012				
Revenue				
Total revenue	80,562	28,529	-	109,091
Intersegment-revenue	(10,936)	(1,462)	-	(12,398)
External revenue	<u>69,626</u>	<u>27,067</u>	-	<u>96,693</u>
Segment result (external)	11,208	2,660	(62)	13,806
Profit before taxation				<u>13,806</u>

	PLANTATION RM'000	HEALTH RM'000	OTHERS RM'000	GROUP RM'000
6 months ended 30 June 2013				
Revenue				
Total revenue	133,546	60,328	-	193,874
Intersegment-revenue	(19,477)	(3,171)	-	(22,648)
External revenue	<u>114,069</u>	<u>57,157</u>	-	<u>171,226</u>
Segment result (external)	7,430	7,754	-	15,184
Profit before taxation				<u>15,184</u>

6 months ended 30 June 2012				
Revenue				
Total revenue	166,028	56,421	-	222,449
Intersegment-revenue	(25,201)	(2,884)	-	(28,085)
External revenue	<u>140,827</u>	<u>53,537</u>	-	<u>194,364</u>
Segment result (external)	34,446	5,372	(252)	39,566
Profit before taxation				<u>39,566</u>

9. Segmental reporting (cont'd)

	PLANTATION RM'000	HEALTH RM'000	OTHERS RM'000	GROUP RM'000
Total assets				
30 June 2013	1,247,327	201,946	2,484	1,451,757
31 December 2012	1,336,055	176,640	2,485	1,515,180
Total liabilities				
30 June 2013	144,352	107,364	1,441	253,157
31 December 2012	166,165	88,123	1,434	255,722

10. Valuation on non-current assets

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 December 2012.

11. Significant event

Refer to note 23 on Corporate Proposal.

12. Material subsequent event

There were no material subsequent event of the Group for the financial period under review.

13. Changes in the composition of the Group

During the quarter under review, the Company acquire 50,000 ordinary shares in TDM Capital Sdn Bhd from Terengganu Incorporation Sdn Bhd and making TDM Capital Sdn Bhd a wholly-owned subsidiary of TDM.

14. Capital commitments

Capital commitments as at 30 June 2013 are as follows:

	RM '000
Authorised by the Directors and contracted	80,733
Authorised by the Directors but not contracted	265,778
	<u>346,511</u>

15. Changes in contingent liabilities or contingent assets

There were no changes in contingent liabilities from the previous audited financial statements to the date of this quarterly report.

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENT

16. Review of the performance of the Group, setting out material factors affecting the earnings and/or revenue of the Group for the current quarter and financial year to date

Individual quarter - Q2 2013 versus Q2 2012

	Q2 2013	Q2 2012	Variance
	RM'000	RM'000	
Revenue			
Plantation	51,886	69,626	-24%
Healthcare	29,257	27,067	8%
Total	81,143	96,693	-16%
PBT			
Plantation	(7,417)	11,208	>-100%
Healthcare	3,239	2,660	22%
Total	(4,178)	13,868	>-100%

Plantation Division

During the quarter, the plantation division registered losses of RM7.4 million, compared to profit before tax of RM11.2 million in the previous quarter, mainly due to:

- a) Lower plantation revenue by 24% or RM16.7 million due to:
 - i) Lower average price of CPO and PK by 31% and 37% respectively;
 - ii) Lower production CPO and PK by 4%.
- b) Immature area expenses of RM3.3 million, compared to RM0.4 million in the previous corresponding quarter; and
- c) Start-up losses at Indonesia operation of RM2.2 million.

The current quarter also saw significant spending of RM17.2 million on manuring activities. This alone represents 35% of our 2013 annual manuring plan.

Healthcare Division

During the quarter, the healthcare division increased its sales by 8% compared to the previous corresponding quarter. Profit before tax up by 22% to RM3.2 million, compared to the same period last year contributed by higher case-mix of patient.

16. Review of the performance of the Group, setting out material factors affecting the earnings and/or revenue of the Group for the current quarter and financial year to date

First Half 2013 versus First Half 2012 (cont'd)

	1H 2013	1H 2012	Variance
	RM'000	RM'000	
Revenue			
Plantation	114,069	140,827	-19%
Healthcare	57,157	53,537	7%
Total	171,226	194,364	-12%
PBT			
Plantation	7,430	34,446	-78%
Healthcare	7,708	5,372	43%
Total	15,138	39,818	-62%

Plantation Division

The plantation division registered lower profit by 78% compared to the same period last year due to:

- a) Lower average price of CPO and PK by 29% and 38% respectively, have contributed to lower plantation revenue by 19% or RM26.8 million;
- b) Immature area expenses of RM5.6 million, compared to RM0.7 million in the previous corresponding quarter; and
- c) Start-up losses at Indonesia operation of RM4.1 million.

Healthcare Division

The Healthcare division set an earnings record in the 6 months ended 2013, increased by 43% compared same period last year. It also produced healthy profit margin of 13% - one of the highest in recent years – on the back of improved case mix of patient.

Other developments

What the numbers do not reveal is that we have made good progress during the 1H 2013 in our operational areas:

a) New Planting in Indonesia

Our planted hectareage is expanding. Our team in Kalimantan – led by new President Director (one of our outstanding managers previously based in Terengganu) - set a new record on planting progress. During the first half of this year, we have planted 3,074 ha (cummulative planted of 11,155ha), making the 1H 2013 progress alone more than double the planting progress for the whole of 2012. The size of our Kalimantan estate is now equivalent to 30% of our land in Terengganu, and growing.

b) Replanting/Immature expenses in Malaysia

We are on the right track in our effort to improve oil palm productivity through our replanting programme to replace low-yield, old trees with new, high-yielding seedlings. During the first half of this year, the Malaysia operation spent RM5.6 million on immature expenses (this cost is immediately expensed off in the year it is incurred). The immature expenses are in relation to replanting carried out in 2012 on old trees area and uneconomical area (low stand/ha). This replanting with better planting material as well as with optimal planting density will help to rejuvenate and improve productivity and therefore lower our production cost.

17. Explanatory comment on any material change in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter

Individual quarter - Q2 2013 versus Q1 2013

The quarter under review recorded losses of RM4.2 million, compared to PBT of RM19 million in the preceding quarter due to:

- a) Higher estate production costs:
 - i) Higher manuring cost by RM8.7 million
 - ii) Higher immature cost by RM1.0 million
- b) Start-up losses at Indonesian subsidiaries; and
- c) Lower revenue from lower production of both CPO & PK by 9% and 19% respectively.

18. Commentary on the prospects, including the factors that are likely to influence the Group's prospects for the remaining period to the end of the financial year or the next financial year if the reporting period is the last quarter

The group remains positive on the long term fundamentals of the industry. Despite of lower palm oil prices, the group expects FY 2013 performance to remain satisfactory.

19a. Explanatory note for any variance of actual profit after tax and minority interest and the forecast profit after tax and minority interest (where the variance exceeds 10%)

Not applicable.

19b. Explanatory note for any shortfall in the profit guarantee

There was no profit guarantee issued for the quarter ended 30 June 2013.

	Current period	
	To date	
	30-Jun-13	30-Jun-12
	RM'000	RM'000
The following amounts have been included in arriving at profit before tax:		
Interest expense	36	50
Interest income	(2,042)	(2,847)
Depreciation of property, plant and equipment	14,500	13,761
Bad debts written off	-	2,641
Impairment loss on trade and other receivables	378	613
Payables written back	(1,568)	(503)
Gain on disposal of a subsidiary	-	(404)
Other receivables written off	625	-
	625	-

Saved as disclosed above as required under Appendix B, Part A(16) of the Bursa Listing Requirements are not applicable.

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(Incorporated in Malaysia)

21. Breakdown of tax charge and explanation on variance between effective and statutory tax rate for the current quarter and preceding quarter to date

	Current period	
	To date	
	30-Jun-13	30-Jun-12
	RM'000	RM'000
Current income tax	6,861	13,308
Under provision of income tax in prior year	318	-
	7,179	13,308
Deferred tax	(399)	(320)
(Over)/under provision of deferred tax	(298)	74
	6,482	13,062

Income tax is calculated at the Malaysian statutory tax rate of 25% of the estimated assessable profit for the period.

The effective tax rate of the Group for the current and previous corresponding periods were higher than the statutory tax rate of the respective year principally due to certain expenses which were not deductible for tax purposes.

22. Amount of profits on sale of unquoted investments or properties

There were no sale of unquoted investments or properties for the current year to date.

23. Corporate proposals

- a) On 7 June 2013, RHB Investment Bank Berhad had made an announcement on behalf of the Board of Directors of TDM, that 49,388,722 new TDM Shares ("Bonus Shares") listed and quoted on the main market Bursa Malaysia Securities Berhad on 10 June 2013. With the issuance of the Bonus Shares, the issued and paid-up share capital of the Company after the Bonus Issue will be RM296,332,336 comprising 296,332,336 TDM Shares.

- b) On 26 June 2013, TDM had announced that the acquisition of 50,000 ordinary shares in TDM Capital Sdn Bhd from Terengganu Incorporation Sdn Bhd has been completed, making TDM Capital Sdn Bhd a wholly-owned subsidiary of TDM.

- c) On 27 June 2013, RHB Investment Bank Berhad had made an announcement on behalf of the Board of Directors of TDM, that the issued and paid up capital shares capital of TDM of RM296,332,336 comprising 296,332,336 ordinary shares of RM1.00 each has been subdivided into RM296,332,336 comprising 1,481,661,680 ordinary shares of RM0.20 each. The subdivided shares has been listed and quoted in Main Market of Bursa Malaysia Securities Berhad on 28 June 2013.

24. Borrowings and debt securities as at the end of the reporting period

Details of the Group's borrowings as at 30 June 2013 are as follows :

<u>Secured</u>	Short-term	Long-term	Total
	RM'000	RM'000	RM'000
Continuing operations			
-Term loans	188	42,741	42,929
-Hire purchase payables	33	48	81
	221	42,789	43,010

25. Summary of off balance sheet financial instruments by type and maturity profile

The Group did not enter into any contract involving off balance sheet financial instruments during the financial quarter ended 30 June 2013.

26. Changes in material litigation (including status of any pending material litigation) since the last annual balance sheet date

There were no changes in material liabilities since the previous audited financial statements ended 31 December 2012.

27. Dividend proposed

No dividend has been proposed for the current quarter under review.

28. Loss/ Earnings per share

Basic loss/ earnings per share is calculated by dividing the net loss/ profit for the period by the weighted average number of ordinary shares in issue during the period.

	Individual Quarter		Preceding	
	Current Quarter Ended	Preceding Corresponding Quarter Ended	Current Quarter Ended	Preceding Corresponding Quarter Ended
	30.06.2013	30.06.2012	30.06.2013	30.06.2012
Basic				
(Loss)/Profit for the period attributable to owners of the parent (RM'000)	(5,421)	9,400	8,774	27,067
Weighted average number of ordinary shares in issue ('000)	1,481,667	241,645	1,481,667	240,985
Basic (loss)/ earnings per ordinary share attributable to owners of the parent	(0.37)	3.89	0.59	11.23

28. Loss/ Earnings per share (cont'd.)

Diluted	Current Quarter Ended 30.06.2013	Preceding Corresponding Quarter Ended 30.06.2012	Current Quarter Ended 30.06.2013	Preceding Corresponding Quarter Ended 30.06.2012
Profit for the period attributable to owners of the parent (RM'000)	-	9,400	-	27,067
Weighted average number of ordinary shares in issue ('000)	-	241,645	-	240,985
Adjustment for:				
- Share options	-	839	-	845
- Retention shares pursuant to acquisition of TDMC Hospital Sdn Bhd		186		184
Weighted average number of shares - diluted	-	242,670	-	242,014
Diluted earnings per ordinary share attributable to owners of the parent	-	3.87	-	11.18

29. Realised and unrealised profits

	As at 30-Jun-13 RM'000	As at 31-Dec-12 RM'000
Total retained profits of the Company and subsidiaries		
- Realised profits	281,763	318,918
- Unrealised profits	68,800	77,282
	<u>350,563</u>	<u>396,200</u>
Less: Consolidation adjustments	23,422	28,336
Total Group retained profits as per consolidated accounts	<u>373,985</u>	<u>424,536</u>

- 30.** The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 29 August 2013.

BY ORDER OF THE BOARD

YEAP KOK LEONG
Company secretary

Kuala Lumpur
29 August 2013