



# **TDM BERHAD**

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

**INTERIM FINANCIAL STATEMENTS  
31 DECEMBER 2015**



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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 DECEMBER 2015**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 31-Dec-15 RM'000	Preceding Quarter Ended 31-Dec-14 RM'000	Current Quarter To date 31-Dec-15 RM'000	Preceding Quarter To date 31-Dec-14 RM'000
Revenue	112,931	99,645	381,203	386,117
Cost of sales	(63,020)	(56,242)	(239,218)	(217,645)
<b>Gross profit</b>	<b>49,911</b>	<b>43,403</b>	<b>141,985</b>	<b>168,472</b>
<b>Other items of income</b>				
Interest income	13,784	7,591	36,443	22,292
Other income	36,282	4,039	42,120	8,705
<b>Other items of expense</b>				
Distribution costs	(2,244)	(1,867)	(8,338)	(6,699)
Administrative expenses	(30,304)	(31,125)	(110,410)	(104,084)
Other expenses	(5,764)	(4,620)	(21,773)	(18,883)
Finance costs	(2,930)	(1,309)	(8,585)	(1,443)
<b>Profit before tax</b>	<b>58,735</b>	<b>16,112</b>	<b>71,442</b>	<b>68,360</b>
Income tax expenses	(2,141)	3,091	1,030	(13,984)
<b>Profit for the period, net of tax</b>	<b>56,594</b>	<b>19,203</b>	<b>72,472</b>	<b>54,376</b>
<b>Other comprehensive income :</b>				
Available for sale investments' fair value movement	1	6	(31)	3
Foreign currency translation	13,553	(2,623)	8,002	(5,231)
Revaluation of land, buildings, plant & machinery and plantation development expenditure	111,070	68,989	111,070	68,742
Net gain on remeasurement of defined benefit liability	-	21	-	-
Deferred tax related to:				
Net surplus on revaluation	(44,158)	(16,481)	(44,158)	(16,481)
<b>Other comprehensive income for the period, net of tax</b>	<b>80,466</b>	<b>49,912</b>	<b>74,883</b>	<b>47,033</b>
<b>Total comprehensive income for the period</b>	<b>137,060</b>	<b>69,115</b>	<b>147,355</b>	<b>101,409</b>



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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 DECEMBER 2015**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 31-Dec-15 RM'000	Preceding Quarter Ended 31-Dec-14 RM'000	Current Quarter To date 31-Dec-15 RM'000	Preceding Quarter To date 31-Dec-14 RM'000
<b>Profit attributable to:</b>				
Owners of the parent	56,734	19,832	74,257	56,640
Non-controlling interests	(140)	(629)	(1,785)	(2,264)
	<b>56,594</b>	<b>19,203</b>	<b>72,472</b>	<b>54,376</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	137,200	69,744	149,140	103,673
Non-controlling interests	(140)	(629)	(1,785)	(2,264)
	<b>137,060</b>	<b>69,115</b>	<b>147,355</b>	<b>101,409</b>
Earnings per share (sen):				
Basic (Note 27)	3.83	1.34	5.01	3.82

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 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 31 DECEMBER 2015**

	<b>Unaudited As at 31-Dec-15 RM'000</b>	<b>Audited As at 31-Dec-14 RM'000</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant & equipment	1,199,112	914,398
Biological assets	669,796	638,877
Investment property	11,000	11,000
Goodwill	9,959	9,959
Other investments	334,169	286,074
Investment securities	57	88
Other receivable	53,420	24,877
Deferred tax assets	20,158	12,747
	<b><u>2,297,671</u></b>	<b><u>1,898,020</u></b>
<b>Current assets</b>		
Inventories	45,833	48,335
Trade and other receivables	104,495	67,755
Prepayments	3,406	2,360
Tax recoverable	4,498	1,610
Cash and bank balances	119,795	79,512
	<b><u>278,027</u></b>	<b><u>199,572</u></b>
<b>Total assets</b>	<b><u>2,575,698</u></b>	<b><u>2,097,592</u></b>
<b>Current liabilities</b>		
Borrowings	11,491	7,741
Trade and other payables	186,309	146,137
Tax payable	-	10,010
	<b><u>197,800</u></b>	<b><u>163,888</u></b>
<b>Net current assets</b>	<b><u>80,227</u></b>	<b><u>35,684</u></b>
<b>Non-current liabilities</b>		
Retirement benefit obligations	3,709	3,378
Borrowings	686,534	449,059
Other payable	70,856	29,404
Deferred tax liabilities	152,691	112,509
	<b><u>913,790</u></b>	<b><u>594,350</u></b>
<b>Total liabilities</b>	<b><u>1,111,590</u></b>	<b><u>758,238</u></b>
<b>Net assets</b>	<b><u>1,464,108</u></b>	<b><u>1,339,354</u></b>



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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2015**

	<b>Unaudited As at 31-Dec-15 RM'000</b>	<b>Audited As at 31-Dec-14 RM'000</b>
<b>Equity attributable to owners of the parent</b>		
Share capital	296,332	296,332
Share premium	33,064	33,064
Retained earnings	509,493	457,461
Other reserves	623,023	548,140
	<u>1,461,912</u>	<u>1,334,997</u>
<b>Non-controlling interests</b>	2,196	4,357
	<u>1,464,108</u>	<u>1,339,354</u>
<b>Total equity</b>	<u><b>1,464,108</b></u>	<u><b>1,339,354</b></u>
<b>Total equity and liabilities</b>	<u><b>2,575,698</b></u>	<u><b>2,097,592</b></u>
Net assets per share (RM)	0.99	0.90

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements)

**TDM BERHAD** (Company No 6265-P)  
(Incorporated in Malaysia)  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

	Attributable to owners of the parent										
	Total equity RM'000	Equity attributable to owners of the parent RM'000	Non-distributable		Distributable		Non-distributable				Non-controlling interests RM'000
			Share capital RM'000	Share premium RM'000	Retained earnings RM'000	Total other reserves RM'000	Asset revaluation reserve RM'000	Foreign currency translation reserve RM'000	Fair value adjustment reserve RM'000	Transaction with non-controlling interest RM'000	
<b>Opening balance at 1 January 2015</b>	1,339,354	1,334,997	296,332	33,064	457,461	548,140	569,231	(21,052)	(8)	(31)	4,357
Profit for the period	72,472	74,257	-	-	74,257	-	-	-	-	-	(1,785)
<b>Other comprehensive income</b>											
Net loss on fair value changes in available for sale investments' fair value movement	(31)	(31)	-	-	-	(31)	-	-	(31)	-	-
Foreign currency translation	8,002	8,002	-	-	-	8,002	8,002	-	-	-	-
Revaluation of land, buildings, plant and machinery and plantation development expenditure	111,070	111,070	-	-	-	111,070	111,070	-	-	-	-
Deferred tax related to: Net surplus on revaluation	(44,158)	(44,158)	-	-	-	(44,158)	(44,158)	-	-	-	-
Other comprehensive income for the period, net of tax	74,883	74,883	-	-	-	74,883	66,912	8,002	(31)	-	-
Total comprehensive income for the period	147,355	149,140	-	-	74,257	74,883	66,912	8,002	(31)	-	(1,785)
<b>Transactions with owners</b>											
Dividends paid on ordinary shares	(22,601)	(22,225)	-	-	(22,225)	-	-	-	-	-	(376)
Total transactions with owners	(22,601)	(22,225)	-	-	(22,225)	-	-	-	-	-	(376)
<b>Closing balance at 31 December 2015</b>	1,464,108	1,461,912	296,332	33,064	509,493	623,023	636,143	(13,050)	(39)	(31)	2,196
<b>Opening balance at 1 January 2014</b>	1,252,913	1,246,141	296,332	33,064	415,638	501,107	516,970	(15,821)	(11)	(31)	6,772
Profit for the period	54,376	56,640	-	-	56,640	-	-	-	-	-	(2,264)
<b>Other comprehensive income</b>											
Net gain on fair value changes in available for sale investments' fair value movement	3	3	-	-	-	3	-	-	3	-	-
Foreign currency translation	(5,231)	(5,231)	-	-	-	(5,231)	(5,231)	-	-	-	-
Net surplus on revaluation of land, buildings, plant & machinery and plantation development expenditure	52,261	52,261	-	-	-	52,261	52,261	-	-	-	-
Other comprehensive income for the period, net of tax	47,033	47,033	-	-	-	47,033	52,261	(5,231)	3	-	-
Total comprehensive income for the period	101,409	103,673	-	-	56,640	47,033	52,261	(5,231)	3	-	(2,264)
<b>Transactions with owners</b>											
Dividends paid on ordinary shares	(14,968)	(14,817)	-	-	(14,817)	-	-	-	-	-	(151)
Total transactions with owners	(14,968)	(14,817)	-	-	(14,817)	-	-	-	-	-	(151)
<b>Closing balance at 31 December 2014</b>	1,339,354	1,334,997	296,332	33,064	457,461	548,140	569,231	(21,052)	(8)	(31)	4,357

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements)



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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	<b>Period Ended</b>	
	<b>31-Dec-15 RM'000</b>	<b>31-Dec-14 RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	71,442	68,360
Adjustments for:		
Interest expense	8,585	1,443
Depreciation of property, plant and equipment	39,933	34,407
Property, plant and equipment written off	69	100
Biological asset written off	44	3,218
Impairment loss on trade and other receivables	2,689	974
Impairment loss of biological assets	827	2,376
Inventories written off	1	5
Dividend income	(152)	(471)
Unrealised gain on the foreign exchange of investment in fixed income securities	(31,952)	(1,121)
Payables written back	(153)	-
Gain on disposal of property, plant and equipment	(15)	(38)
Interest income	(36,443)	(22,292)
Gain on fair value changes of embedded derivative	(1,740)	(2,457)
Provision for short term accumulating compensated absences	96	54
Provision for retirement benefit obligations	337	346
Total adjustments	<u>(17,874)</u>	<u>16,544</u>
Operating cash flows before changes in working capital	<u>53,568</u>	<u>84,904</u>
<u>Changes in working capital</u>		
Decrease/(increase) in inventories	2,528	(11,619)
Increase in receivables	(38,528)	(19,629)
Increase in payables	17,082	40,278
Total changes in working capital	<u>(18,918)</u>	<u>9,030</u>
Cash flows from operations	34,650	93,934
Interest paid	(8,585)	(1,443)
Interest received	4,842	1,625
Taxes paid	(23,902)	(17,734)
Retirement benefits paid	(6)	(14)
Net cash flows (used in)/generated from operating activities	<u>6,999</u>	<u>76,368</u>



**TDM BERHAD** (Company No 6265-P)  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	<b>Period Ended</b>	
	<b>31-Dec-15</b>	<b>31-Dec-14</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(144,171)	(113,690)
Addition of plantation development expenditure	(65,314)	(58,615)
Dividend received	152	471
Proceeds from disposal of property plant and equipment	15	108
Investment in fixed income securities	(19,218)	(78,205)
(Increase)/decrease in deposit with licensed banks pledged as securities for certain banking facilities	(29,173)	6,861
Addition of deposit with licensed banks	<u>(35,329)</u>	<u>(1,049)</u>
Net cash flows used in investing activities	<u>(293,038)</u>	<u>(244,119)</u>
<b>Cash flows from financing activities</b>		
Drawdown of term loan	226,547	96,564
Proceeds from subscription of IDR notes	19,218	78,205
Repayments of term loans	(8,383)	(1,008)
Repayments of hire purchase facilities	(1,211)	(1,711)
Dividend paid	<u>(22,601)</u>	<u>(14,968)</u>
Net cash flows from financing activities	<u>213,570</u>	<u>157,082</u>
<b>Net decrease in cash and cash equivalents</b>	(72,469)	(10,669)
<b>Cash and cash equivalents at 1 January</b>	79,512	53,738
Effect of foreign exchange rate changes	<u>8,002</u>	<u>(5,231)</u>
<b>Cash and cash equivalents at end of the period</b>	<u>15,045</u>	<u>37,838</u>
Cash and cash equivalents at end of the year comprise of the following:		
Cash and banks balances	119,795	79,512
Less: Deposits pledged for bank facilities	(32,385)	(3,296)
Less: Deposits with licensed banks with maturity period more than 3 months	<u>(72,365)</u>	<u>(38,378)</u>
Cash and cash equivalents	<u>15,045</u>	<u>37,838</u>

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements)





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

**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 2014. 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 2014.

**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 2014 except as follows:

Effective for annual periods beginning on or after 1 January 2014:

Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities  
Amendments to FRS 10, FRS 12, and FRS 127: Investment Entities  
Amendments to FRS 136: Recoverable Amount Disclosures for Non-Financial Assets  
Amendments to FRS 139: Novation of Derivatives and Continuation of Hedge Accounting  
IC Interpretation 21 Levies

Effective for annual periods beginning on or after 1 July 2014:

Amendments to FRS 119: Defined Benefit Plans: Employee Contributions

Annual Improvements to FRSs 2010-2012 Cycle:

Amendment to FRS 2 Share-base Payment  
Amendment to FRS 3 Business Combinations  
Amendment to FRS 8 Operating Segments  
Amendment to FRS 13 Fair Value Measurement  
Amendment to FRS 116 Property, Plant and Equipment  
Amendment to FRS 124 Related Party Disclosures  
Amendment to FRS 138 Intangible Assets

Annual Improvements to FRSs 2011-2013 Cycle:

Amendment to FRS 1 First-time Adoption of Financial Reporting Standards  
Amendment to FRS 3 Business Combinations  
Amendment to FRS 13 Fair Value Measurement  
Amendment to FRS 140 Investment Property

**Explanatory Notes Pursuant to FRS 134**

**2. Significant accounting policies (cont'd.)**

Effective for annual periods beginning on or after 1 January 2016:

Amendments to FRS 10: Consolidated Financial Statements

Sales or Contribution of Assets between an Investor and its Associate or Joint Venture  
(Amendments to FRS 10 and FRS 128)

Amendments to FRS 11: Accounting for Acquisitions of Interests in Joint Operations

FRS 14: Regulatory Deferral Accounts

Amendments to FRS 116 and FRS 138 Clarification of Acceptable Methods of Depreciation  
and Amortisation

Amendments to FRS 127: Equity Method in Separate Financial Statements

Amendments to FRS 101: Disclosure Initiatives

Annual Improvements to FRSs 2012-2014 Cycle:

Amendment to FRS 5 Non-current Assets Held for Sale and Discontinued Operations

Amendment to FRS 7 Financial Instruments: Disclosures

Amendment to FRS 119 Employee Benefits

Effective for annual periods beginning on or after 1 January 2018:

MFRS 9 Financial Instruments

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.

**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 2017.

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 2017. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

**3. Declaration of audit qualification**

The preceding annual financial statements for the year ended 31 December 2014 were reported without any qualification.

**Explanatory Notes Pursuant to FRS 134**

**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 31 December 2015.

**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**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter.

**8. Dividends paid**

There were no dividend paid for the Group during quarter under review.

**9. Segmental reporting**

	<b>PLANTATION RM'000</b>	<b>HEALTHCARE RM'000</b>	<b>OTHERS RM'000</b>	<b>GROUP RM'000</b>
<b>3 months ended 31 December 2015</b>				
<b>Revenue</b>				
Total revenue	106,789	48,963	-	155,752
Intersegment-revenue	(37,417)	(5,404)	-	(42,821)
External revenue	<u>69,372</u>	<u>43,559</u>	-	<u>112,931</u>
Depreciation	5,830	2,079	-	7,909
Segment result (external)	60,594	(1,871)	12	<u>58,735</u>
Profit before taxation				<u>58,735</u>
<b>3 months ended 31 December 2014</b>				
<b>Revenue</b>				
Total revenue	92,874	36,074	-	128,948
Intersegment-revenue	(27,169)	(2,134)	-	(29,303)
External revenue	<u>65,705</u>	<u>33,940</u>	-	<u>99,645</u>
Depreciation	6,733	2,497	-	9,230
Segment result (external)	14,997	1,111	4	<u>16,112</u>
Profit before taxation				<u>16,112</u>

**Explanatory Notes Pursuant to FRS 134**

**9. Segmental reporting (cont'd.)**

	<b>PLANTATION RM'000</b>	<b>HEALTHCARE RM'000</b>	<b>OTHERS RM'000</b>	<b>GROUP RM'000</b>
<b>12 months ended 31 December 2015</b>				
<b>Revenue</b>				
Total revenue	288,098	177,197	-	465,295
Intersegment-revenue	(72,095)	(11,997)	-	(84,092)
External revenue	<u>216,003</u>	<u>165,200</u>	-	<u>381,203</u>
Depreciation	27,564	12,369	-	39,933
Segment result (external)	60,883	10,546	13	<u>71,442</u>
Profit before taxation				<u>71,442</u>

<b>12 months ended 31 December 2014</b>				
<b>Revenue</b>				
Total revenue	368,804	137,872	-	506,676
Intersegment-revenue	(112,979)	(7,580)	-	(120,559)
External revenue	<u>255,825</u>	<u>130,292</u>	-	<u>386,117</u>
Depreciation	26,166	8,238	3	34,407
Segment result (external)	57,268	11,080	12	<u>68,360</u>
Profit before taxation				<u>68,360</u>

	<b>PLANTATION RM'000</b>	<b>HEALTHCARE RM'000</b>	<b>OTHERS RM'000</b>	<b>GROUP RM'000</b>
<b>Total assets</b>				
31 December 2015	<u>2,296,314</u>	<u>276,874</u>	<u>2,510</u>	<u>2,575,698</u>
31 December 2014	<u>1,844,631</u>	<u>250,463</u>	<u>2,498</u>	<u>2,097,592</u>
<b>Total liabilities</b>				
31 December 2015	<u>965,027</u>	<u>145,112</u>	<u>1,451</u>	<u>1,111,590</u>
31 December 2014	<u>629,930</u>	<u>126,863</u>	<u>1,445</u>	<u>758,238</u>

**10. Valuation on non-current assets**

Assets of the Group were revalued by independent valuers during the quarter under review. The revaluation surplus of RM111.1 million for property, plant and equipment and biological assets have been accounted for in other reserves and recognized in the financial statements for the year ended 31 December 2015.

**11. Material subsequent event**

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

**12. Changes in the composition of the Group**

There is no changes in the composition of the Group during quarter under review.

**Explanatory Notes Pursuant to FRS 134**

**13. 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.

**14. Capital commitments**

Capital commitments as at 31 December 2015 are as follows:

	<b>RM '000</b>
Authorised by the Directors and contracted	57,835
Authorised by the Directors but not contracted	131,668
	<u>189,503</u>

**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENT**

**15. 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 - Q4 2015 versus Q4 2014**

	<b>Q4 2015</b>	<b>Q4 2014</b>	<b>Variance</b>
	<b>RM'000</b>	<b>RM'000</b>	
<b>Revenue</b>			
Plantation	69,372	65,705	6%
Healthcare	43,559	33,940	28%
<b>Total</b>	<b>112,931</b>	<b>99,645</b>	<b>13%</b>
<b>Profit Before Tax ("PBT")</b>			
Plantation	60,594	14,997	304%
Healthcare	(1,871)	1,111	-268%
<b>Total</b>	<b>58,723</b>	<b>16,108</b>	<b>265%</b>

Group revenue of RM112.9 million for the current quarter ended 31 December 2015 was 13% higher than reported in the preceding corresponding quarter. The Group recorded higher PBT of RM58.7 million in the current quarter, compared to RM16.1 million in the previous corresponding quarter.

Plantation Division

During the quarter, the Plantation Division registered higher revenue and PBT by 6% and 304% respectively compared to the same quarter last year mainly due to:

- a) Higher CPO and PK productions by 15% and 8% respectively;

<b>Production</b>	<b>Q4 2015</b>	<b>Q4 2014</b>	<b>Variance</b>
	<b>mt</b>	<b>mt</b>	<b>%</b>
CPO	29,047	25,289	15%
PK	7,839	7,250	8%

- b) Lower CPO price by 2% and partly offset with higher PK price by 5%;

<b>Average Price</b>	<b>Q4 2015</b>	<b>Q4 2014</b>	<b>Variance</b>
	<b>RM/mt</b>	<b>RM/mt</b>	
CPO	2,186	2,233	-2%
PK	1,673	1,587	5%

During the quarter, we have sold 4,908 mt of CSPO at premium of RM130/mt and RM76/mt for segregated and mass balance respectively.

- c) Higher unrealised gain on the foreign exchange of investment in fixed income securities by RM30.8 million;  
d) Lower start up losses at Indonesian operation by RM13.0 million; and  
e) Higher interest income by RM6.2 million;

However, this is partly offset with higher finance cost by RM1.6 million and higher replanting/immature cost at Malaysia operation by RM1.4 million.

Healthcare Division

For the quarter in review, the Healthcare division recorded higher revenue by 28% mainly due to:

- a) Higher inpatient admissions by 20%; and  
b) Higher inpatient days by 24%;

However, during the quarter, the division registered losses of RM1.9 million compared to PBT of RM1.1 million in the same period in 2014, due to higher admin costs and impairment loss on receivables.

**15. 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.**

**Cumulative quarter - FY 2015 versus FY 2014**

	<b>FY 2015</b>	<b>FY 2014</b>	<b>Variance</b>
	<b>RM'000</b>	<b>RM'000</b>	
<b>Revenue</b>			
Plantation	216,003	255,825	-16%
Healthcare	165,200	130,292	27%
<b>Total</b>	<b>381,203</b>	<b>386,117</b>	<b>-1%</b>
<b>Profit Before Tax ("PBT")</b>			
Plantation	60,883	57,268	6%
Healthcare	10,546	11,080	-5%
<b>Total</b>	<b>71,429</b>	<b>68,348</b>	<b>5%</b>

Group revenue of RM381.2 million for the period ended 31 December 2015 was 1% lower than reported in the preceding corresponding period. The Group recorded higher PBT of RM71.4 million in the current period, compared to RM68.3 million in the previous corresponding period.

Plantation Division

During the year, the Plantation Division registered lower revenue by 16% compared to the previous year mainly due to:

- a) Both CPO and PK prices lower by 10%;

<b>Average Price</b>	<b>FY 2015</b>	<b>FY 2014</b>	<b>Variance</b>
	<b>RM/mt</b>	<b>RM/mt</b>	<b>%</b>
CPO	2,184	2,432	-10%
PK	1,578	1,749	-10%

During the period, we have sold 29,095 mt of CSPO at premium of RM114/mt and RM71/mt for segregated and mass balance respectively.

- b) Both CPO and PK productions lower by 2%;

<b>Production</b>	<b>FY 2015</b>	<b>FY 2014</b>	<b>Variance</b>
	<b>mt</b>	<b>mt</b>	<b>%</b>
CPO	90,552	92,729	-2%
PK	23,388	23,797	-2%

However, the division recorded higher PBT by 6% mainly due to:

- a) Higher unrealised gain on the foreign exchange of investment in fixed income securities by RM30.8 million;  
b) Higher interest income by RM14.2 million; and  
c) Lower start up losses at Indonesian operation by RM13.6 million;

However, this is partly offset with higher finance cost by RM7.1 million and higher replanting/immature cost at Malaysia operation by RM3.7 million.

Healthcare Division

For the current financial year, the Healthcare division recorded higher revenue by 27% mainly due to:

- a) Higher inpatient number by 23%; and  
b) Higher inpatient days by 24%;

The division registered lower PBT of RM10.5 million compared to PBT of RM11.1 million in the previous year, due to higher admin costs, depreciation and impairment loss on receivables.

**16. 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 - Q4 2015 versus Q3 2015**

The current quarter under review recorded higher revenue and PBT by 15% and 422% respectively compared to the preceding quarter mainly due to;

- a) Higher CPO and PK productions by 12% and 24% respectively;

Production	Q4 2015	Q3 2015	Variance
	mt	mt	%
CPO	29,047	25,874	12%
PK	7,839	6,301	24%

- b) Higher CPO and PK prices by 4% and 18% respectively;

Average Price	Q4 2015	Q3 2015	Variance
	RM/mt	RM/mt	
CPO	2,186	2,102	4%
PK	1,673	1,417	18%

- c) Higher unrealised gain on the foreign exchange of investment in fixed income securities by RM32.0 million.

**17. 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**

**Plantation**

Palm oil prices have been trending upward due to declining palm oil inventory level and expectation of lower palm oil production from the El Nino phenomenon. It is expected that palm oil prices to remain stable at the current level.

**Healthcare**

The demand for private healthcare in Malaysia is growing and we are in a good position to capture the growth, through our capacity expansion and via introduction of new modalities.

The Group is cautiously optimistic of achieving satisfactory performance in FY2016.

**18a. 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.

**18b. Explanatory note for any shortfall in the profit guarantee**

There was no profit guarantee issued for the quarter ended 31 December 2015.



## 19. Profit for the period

	<b>Current period to date</b>	
	<b>31-Dec-15 RM'000</b>	<b>31-Dec-14 RM'000</b>
<b>The following amounts have been included in arriving at profit before tax:</b>		
Interest expense	8,585	1,443
Interest income	(36,443)	(22,292)
Dividend income	(152)	(471)
Depreciation of property, plant and equipment	39,933	34,407
Gain on disposal of property, plant and equipment	(15)	(38)
Property, plant and equipment written off	69	100
Biological asset written off	44	3,218
Impairment loss on trade and other receivables	2,689	974
Impairment loss of biological assets	827	2,376
Inventories written off	1	5
Payables written back	(153)	-
Unrealised gain on the foreign exchange of investment in fixed income securities	(31,952)	(1,121)
Gain on fair value changes of embedded derivative	(1,740)	(2,457)
	<u>(1,740)</u>	<u>(2,457)</u>

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

	<b>Current Quarter</b>		<b>Current period To date</b>	
	<b>31-Dec-15 RM'000</b>	<b>31-Dec-14 RM'000</b>	<b>31-Dec-15 RM'000</b>	<b>31-Dec-14 RM'000</b>
Current income tax	3,780	2,553	10,870	19,507
(Over)/Under provision of income tax in prior year	(17)	(1,029)	(795)	(919)
	<u>3,763</u>	<u>1,524</u>	<u>10,075</u>	<u>18,588</u>
Deferred tax				
Relating to origination and reversal of temporary differences	(1,665)	2,727	(9,721)	2,446
Relating to changes in Malaysia tax rates	18	(99)	33	36
(Over)/Under provision of deferred tax	25	(7,243)	(1,417)	(7,086)
	<u>2,141</u>	<u>(3,091)</u>	<u>(1,030)</u>	<u>13,984</u>

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 quarter to date were lower than the statutory tax rate of the respective period principally due to recognition of deferred tax asset during the period. The effective tax rate for the preceding quarter to date were lower than the statutory tax rate of the respective period principally due to over provision of deferred tax in prior year.

## 21. 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.

## 22. Corporate proposals

There was no corporate proposals for the current quarter ended 31 December 2015.

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

Details of the Group's borrowings as at 31 December 2015 are as follows :

	<b>Current RM'000</b>	<b>Non-Current RM'000</b>	<b>Total RM'000</b>
<b><u>Secured</u></b>			
- Bank loans	8,609	335,596	344,205
- Obligation under the finance leases	2,882	7,591	10,473
	<u>11,491</u>	<u>343,187</u>	<u>354,678</u>
<b><u>Unsecured</u></b>			
- Bank loans		50,000	50,000
- IDR Notes	-	293,347	293,347
	<u>-</u>	<u>343,347</u>	<u>343,347</u>
Total	<u>11,491</u>	<u>686,534</u>	<u>698,025</u>

**24. 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 31 December 2015.

**25. 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 2014.

**26. Dividend proposed**

There was no dividend proposed for the current quarter ended 31 December 2015.

**27. Earnings per share**

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

	<b>Current Quarter Ended 31.12.2015</b>	<b>Preceding Quarter Ended 31.12.2014</b>	<b>Current Quarter To date 31.12.2015</b>	<b>Preceding Quarter To date 31.12.2014</b>
<b>Basic</b>				
Profit for the period attributable to owners of the parent (RM'000)	56,734	19,832	74,257	56,640
Weighted average number of ordinary shares in issue ('000)	1,481,662	1,481,662	1,481,662	1,481,662
Basic earnings per ordinary share attributable to owners of the parent (sen)	<u>3.83</u>	<u>1.34</u>	<u>5.01</u>	<u>3.82</u>

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

**28. Realised and unrealised profits**

	<b>As at 31-Dec-15 RM'000</b>	<b>As at 31-Dec-14 RM'000</b>
Total retained profits of the Company and subsidiaries		
- Realised profits	350,558	305,190
- Unrealised profits	74,632	89,981
	<u>425,190</u>	<u>395,171</u>
Less: Consolidation adjustments	84,303	62,290
Total Group retained profits as per consolidated accounts	<u>509,493</u>	<u>457,461</u>

- 29.** The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 28 February 2016.

**BY ORDER OF THE BOARD**

WAN HASLINDA WAN YUSOFF  
Company Secretary

Kuala Lumpur  
28 February 2016