

INTERIM FINANCIAL STATEMENTS 30 JUNE 2024



CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2024

(The figures have not been audited)

	Individu Current Quarter Ended 30-Jun-24 RM'000	al Quarter Preceding Quarter Ended 30-Jun-23 RM'000	Cumulat Current Quarter To date 30-Jun-24 RM'000	ive Quarter Preceding Quarter To date 30-Jun-23 RM'000
Continuing operations				
Revenue Cost of sales Gross profit	154,667 (106,601) 48,066	129,263 (87,387) 41,876	289,745 (191,352) 98,393	260,358 (185,615) 74,743
Other items of income Finance income Other income	364 1,533	488 2,399	988 5,561	998 5,234
Other items of expense Distribution costs Administrative and other operating expenses Other expenses Finance costs Share of results of associate Loss before tax Taxation	(1,452) (45,703) (1,348) (7,436) <u>66</u> (5,910) <u>674</u>	(1,135) (45,507) (1,028) (6,585) - (9,492) 326	(2,388) (97,319) (2,329) (14,798) <u>66</u> (11,826) (871)	(2,190) (89,494) (3,643) (12,666) - (27,018) 1,798
Loss for the financial period from continuing operations	(5,236)	(9,166)	(12,697)	(25,220)
Discontinued operation Profit/(loss) for the financial period from discontinued operation Loss for the financial period	<u> </u>	(11,837) (21,003)	2,654 (10,043)	(17,865) (43,085)
Other comprehensive (loss)/income: Foreign currency translation Fair value movement of investments in securities Other comprehensive (loss)/income for the financial period	(5,582) <u>3</u> (5,579)	8,646 4 8,650	(1,977) 2 (1,975)	10,085 2 10,087
Total other comprehensive loss for the financial period	(7,553)	(12,353)	(12,018)	(32,998)



CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2024

(The figures have not been audited)

	Individu Current Quarter Ended 30-Jun-24 RM'000	al Quarter Preceding Quarter Ended 30-Jun-23 RM'000	Cumulati Current Quarter To date 30-Jun-24 RM'000	ve Quarter Preceding Quarter To date 30-Jun-23 RM'000
Loss attributable to:				
Owners of the parent	(126)	(19,624)	(9,088)	(40,742)
Non-controlling interests	(1,848)	(1,379)	(955)	(2,343)
	(1,974)	(21,003)	(10,043)	(43,085)
Total comprehensive loss attributable to:				
Owners of the parent	(5,352)	(11,573)	(10,935)	(31,282)
Non-controlling interests	(2,201)	(780)	(1,083)	(1,716)
	(7,553)	(12,353)	(12,018)	(32,998)
Loss per share attributable to owner of the parent (sen per share): Basic (Note 26)	(0.01)	(1.14)	(0.53)	(2.36)

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements)



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

(The figures have not been audited)

	As at 30-Jun-24 RM'000	As at 31-Dec-23 RM'000
Assets		
Non-current assets		
Property, plant and equipment	814,299	806,794
Right-of-use assets	463,668	469,260
Intangible asset	1,603	2,032
Goodwill	6,520	6,520
Investment in an associate	216	150
Other investments	25,109	25,109
Investments in securities	39	37
Other receivables	3,847	6,847
Deferred tax assets	4,519	4,872
	1,319,820	1,321,621
Current assets		
Biological assets	4,927	3,753
Inventories	37,546	26,428
Trade and other receivables	79,578	78,199
Prepayments	3,551	5,001
Tax recoverable	8,434	12,699
Cash and bank balances	115,112	168,150
Assets of disposal group classified as held for sale	106,522	106,522
	355,670	400,752
Total assets	1,675,490	1,722,373
Equity and liabilities		
Current liabilities		
Retirement benefit obligations	566	347
Lease liabilities	1,338	1,801
Loans and borrowings	108,550	89,200
Trade and other payables	183,744	178,166
Contract liabilities	52,473	53,723
Income tax payable	12,194	4,070
Liabilities of disposal group classified as held for sale	49,691	51,262
	408,556	378,569
Net current (liabilites)/assets	(52,886)	22,183



(Company No 196501000477 (6265-P))

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

(The figures have not been audited)

	As at 30-Jun-24 RM'000	As at 31-Dec-23 RM'000
Non-current liabilities		
Retirement benefit obligations	4,301	5,306
Lease liabilities	68,854	69,111
Loans and borrowings	320,829	356,348
Other payables	8,376	5,430
Contract liabilities	34,314	59,728
Deferred tax liabilities	182,986	187,889
	619,660	683,812
Total liabilities	1,028,216	1,062,381
Net assets	647,274	659,992
Equity attributable to owners of the parent		
Share capital	359,445	359,445
Retained earnings	329,453	338,541
Other reserves	20,615	20,613
Reserves of a disposal group held for sale	(29,729)	(27,880)
	679,784	690,719
Non-controlling interests	(32,510)	(30,727)
Total equity	647,274	659,992
Total equity and liabilities	1,675,490	1,722,373
Net assets per share (RM)	0.38	0.38

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements)



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 JUNE 2024

(The figures have not been audited)

	Attributable to owners of the parent									
			Non-distributable	Distributable			Non-distril	butable		
	Equity, total RM'000	Equity attributable to owners of the parent, total RM'000		Retained earnings RM'000	Other reserves, total RM'000	Fair value adjustment reserve RM'000	Employee benefits plan reserve RM'000	Premium paid on acquisition of non-controlling interest RM'000	Reserves of a disposal group held for sale RM'000	Non-controlling interests RM'000
Opening balance at 1 January 2024 Loss for the financial period	659,992 (10,043)	690,719 (9,088)	359,445 -	338,541 (9,088)	20,613	20,350 -	294	(31)	(27,880)	(30,727) (955)
Other comprehensive loss Foreign currency translation	(1,977)	(1,849)	-	-	-	-	-	-	(1,849)	(128)
Fair value movement of investment in securities Other comprehensive loss for the financial period	2 (1,975)	2 (1,847)	-	-	2	2	-	-	- (1,849)	- (128)
Total comprehensive loss for the financial period	(12,018)	(10,935)	-	(9,088)	2	2	-	-	(1,849)	(1,083)
Transaction with owners	(===)									(74.0)
Acquisition of non-controlling interest Total transactions with owners	(700) (700)	-	-		-		-	- - (21)	-	(700) (700)
Closing balance at 30 June 2024	647,274	679,784	359,445	329,453	20,615	20,352	294	(31)	(29,729)	(32,510)
Opening balance at 1 January 2023 Loss for the financial period	656,890 (43,085)	685,251 (40,742)	359,445	330,624 (40,742)	23,161	22,898 -	294	(31)	(27,979) -	(28,361) (2,343)
Other comprehensive income Foreign currency translation	10,085	9,458	-	-	-	-	-	-	9,458	627
Fair value movement of investment in securities Other comprehensive income for the financial period	2	<u> </u>	-		2	2		-	9,458	- 627
Total comprehensive loss for the financial period	(32,998)	(31,282)		(40,742)	2	2	_	-	9,458	(1,716)
Closing balance at 30 June 2023	623,892	653,969	359,445	289,882	23,163	22,900	294	(31)	(18,521)	(30,077)

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements)



(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2024

(The figures have not been audited)

	Period Ended		
	30-Jun-24	30-Jun-23	
	RM'000	RM'000	
Operating activities			
Loss before tax from continuing operations	(11,826)	(27,018)	
Profit/(loss) before tax from discontinued operation	2,654	(17,865)	
	(9,172)	(44,883)	
Adjustments for:			
Finance expense	14,798	12,666	
Depreciation of property, plant and equipment	30,551	31,852	
Amortisation of intangible asset	429	429	
Amortisation of right-of-use assets	5,864	6,090	
Amortisation of contract costs assets	-	1,309	
Property, plant and equipment written off - Continuing	1,267	2,478	
Inventories written off - Continuing	51	54	
Expected credit losses of trade receivables	447	1,037	
Expected credit losses of other receivables	-	115	
(Reversal)/impairment of right-of-use assets			
- Discontinued	(652)	3,419	
(Reversal)/impairment of property, plant and equipment			
- Discontinued	(2,623)	13,892	
Provision for retirement benefit obligations			
- Continuing	250	250	
Profit from al-Mudharabah	(988)	(998)	
Utilisation of contract liabilities	(26,664)	(2,398)	
Share of results of associate	(66)	-	
Fair value changes of biological assets			
- Continuing	(1,174)	(106)	
Total adjustments	21,490	70,089	
Operating cash flows before changes in working capital	12,318	25,206	
Changes in working capital			
Inventories	(11,169)	8,420	
Receivables	1,174	2,247	
Payables	10,054	33,827	
Prepayment	1,450	1,888	
Total changes in working capital	1,509	46,382	
Cash flows generated from operations	13,827	71,588	



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 JUNE 2024

(The figures have not been audited)

	Period E 30-Jun-24 RM'000	nded 30-Jun-23 RM'000
Operating activities (cont'd.)		
Profit paid Profit from al-Mudharabah received Taxes paid	(14,798) 988 (3,191)	(12,666) 998 (11,751)
Taxes refund Retirement benefits paid Net cash flows generated from operating activities	9,899 (1,035) 5,690	1,417 (28) 49,558
	5,050	137556
Investing activities Purchase of property, plant and equipment Acquisition of right-of-use assets Dividend received Increase in deposits with licensed banks pledged for bank	(39,323) (272) 933	(26,907) (4,638) -
guarantee facility and Finance Service Reserve Account	(486)	(498)
Net cash flows used in investing activities	(39,148)	(32,043)
Financing activities		
Drawdowns of term loans Repayments of term loans Repayments of hire purchase facilities Repayment of finance lease Dividend paid to shareholder Net cash flows used in financing activities	30,866 (45,003) (2,032) (720) (3,101) (19,990)	19,204 (23,308) (2,322) (2,947) (2,929) (12,302)
Net (decrease)/increase in cash and cash equivalents Cash and cash equivalents at 1 January Effect of foreign exchange rate changes Cash and cash equivalents at end of the period	(53,448) 129,927 (28) 76,451	5,213 69,770 (27) 74,956
Cash and cash equivalents at end of the period comprise of the following: Cash and banks balances		
 Continuing operations Discontinued operation Less: Deposits pledged for bank facilities 	115,112 91 (38,752)	112,634 400 (38,078)
Cash and cash equivalents	76,451	74,956

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements)



Explanatory Notes Pursuant to MFRS 134

Notes:

1. Accounting policies and basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting, IAS 34 Interim Financial Reporting, provision of the Companies Act 2016 in Malaysia 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 2023. These explanatory notes attached to this 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 year ended 31 December 2023.

The interim financial statements of the Group for the financial period ended 30 June 2024 was prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") Framework.

The accounting policies applied in this interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2023.

1.1 Changes in accounting policies

On 1 January 2024, the Group adopted the following new and amended MFRSs mandatory for annual periods beginning on or after 1 January 2024.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 16 - Leases (Lease Liability in a	1 January 2024
Sale and Leaseback)	
Amendments to MFRS 101, Presentation of Financial Statement	1 January 2024
(Classification of Liabilities as Current or Non-current)	
Amendments to MFRS 101, Presentation of Financial Statement	1 January 2024
Non-current Liabilities with Covenant	
Amendments to MFRS 107, Statement of Cash Flows and MFRS 7	1 January 2024
Financial instruments: Disclosures (Supplier Finance Arrangements)	

(Company No 196501000477 (6265-P)) (Incorporated in Malaysia)

1. Accounting policies and basis of preparation (cont'd.)

1.2 Standards issued but not yet effective

At the date of authorisation of these interim financial statements, the following MFRSs were issued but not yet effective and have not been applied by the Group:

Description	Effective for annual periods beginning on or after
Amendments to MFRS 121, The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability	1 January 2025
Amendments to MFRS 10 - Consolidated Financial Statement: Sale or Contribution of Assets between an investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 128 - Investment in Associates and joint Ventures: Sale or Contribution of Assets between an investor	Defented
and its Associate or Joint Venture	Deferred

2. Declaration of audit qualification

The preceding annual financial statements for the year ended 31 December 2023 were reported without any qualification.

3. 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).

4. 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 2024.

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

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

6. 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.

7. Dividends paid

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

8. Segmental reporting

The segments are reported in a manner that is more consistent with internal reporting whereby the Group's business is presented in term of business division and geographical perspective. The operating performance is based on a measure of earning before interest, tax, depreciation and amortisation ("EBITDA").

3 months ended 30 June 2024

	Plantation RM'000	Healthcare RM'000		Share of results f associate RM'000	Continuing operations RM'000	Discontinued operation RM'000
Total revenue	74,905	80,864	-	-	155,769	-
Intersegment revenue	(845)	(257)	-	-	(1,102)	-
External revenue	74,060	80,607	-	-	154,667	-
EBITDA	12,459	11,536	(4,500)	66	19,561	3,262
Depreciation & amortisation	(12,336)	(4,611)	(1,452)	-	(18,399)	-
Finance income	73	123	168	-	364	-
Finance costs	(4,834)	(1,160)	(1,442)	-	(7,436)	-
(Loss)/profit before tax	(4,638)	5,888	(7,226)	66	(5,910)	3,262

3 months ended 30 June 2023

	Plantation RM'000	Healthcare RM'000		Share of results f associate RM'000	Continuing operations RM'000	Discontinued operation RM'000
Total revenue	57,947	72,283	-	-	130,230	-
Intersegment revenue	(694)	(273)	-	-	(967)	-
External revenue	57,253	72,010	-	-	129,263	-
EBITDA	13,605	8,255	(5,119)	-	16,741	(11,837)
Depreciation & amortisation	(14,020)	(4,678)	(1,438)	-	(20,136)	-
Finance income	176	65	247	-	488	-
Finance costs	(3,959)	(815)	(1,811)	-	(6,585)	-
(Loss)/profit before tax	(4,198)	2,827	(8,121)	•	(9,492)	(11,837)

8. Segmental reporting (cont'd.)

6 months ended 30 June 2024

	Plantation RM'000	Healthcare RM'000	Investment holding and others o RM'000		Continuing operations	Discontinued operation RM'000
Total revenue	126,110	166,079	-	-	292,189	-
Intersegment revenue	(1,621)	(823)	-	-	(2,444)	-
External revenue	124,489	165,256	-	-	289,745	-
EBITDA	26,139	22,703	(10,080)	66	38,828	2,654
Depreciation & amortisation	(24,536)	(9,410)	(2,898)	-	(36,844)	-
Finance income	174	249	565	-	988	-
Finance costs	(10,034)	(1,946)	(2,818)	-	(14,798)	-
(Loss)/profit before tax	(8,257)	11,596	(15,231)	66	(11,826)	2,654
30 June 2024						
Assets	1,010,279	324,011	234,678	-	1,568,968	106,522
Liabilities	654,970	145,623	177,932	-	978,525	49,691
	MYR	IDR				
Exchange rate ratio	1.00	3,472				

6 months ended 30 June 2023

o monuis ended 30 June 2025	Plantation RM'000	Healthcare RM'000	Investment holding and others o RM'000		Continuing operations	Discontinued operation RM'000
Total revenue	111,628	150,523	-	-	262,151	-
Intersegment revenue	(1,252)	(541)	-	-	(1,793)	-
External revenue	110,376	149,982	-	-	260,358	-
EBITDA	13,916	20,058	(9,644)	-	24,330	(17,865)
Depreciation & amortisation	(27,376)	(9,309)	(2,995)	-	(39,680)	-
Finance income	394	114	490	-	998	-
Finance costs	(7,245)	(1,645)	(3,776)	-	(12,666)	-
(Loss)/profit before tax	(20,311)	9,218	(15,925)	-	(27,018)	(17,865)
30 June 2023						
Assets	1,051,068	261,503	233,727	-	1,546,298	102,124
Liabilities	675,328	125,556	168,103	-	968,987	55,543
	MYR	IDR				
Exchange rate ratio	1.00	3,195				

9. Material subsequent event

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

10. Changes in the composition of the Group

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

11. 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.

12. Capital commitments

Capital commitments as at 30 June 2024 are as follows:

	RM'000
Authorised and contracted for	21,079
Authorised and not contracted for	296,982
	318,061

(Company No 196501000477 (6265-P))

(Incorporated in Malaysia)

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENT

13. 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 period to date

Individual quarter - Q2 2024 versus Q2 2023

	Q2 2024 Q2 2023 Change RM'000 RM'000 RM'000				es %
REVENUE					
Plantation	74,060	57,253	16,807	29%	
Healthcare	80,607	72,010	8,597	12%	
Total revenue	154,667	129,263	25,404	20%	
Plantation	12,459	13,605	(1,146)	-8%	
Healthcare	11,536	8,255	3,281	40%	
Investment holding and others	(4,500)	(5,119)	619	12%	
Share of results of associate	<u> </u>		66	100%	
EBITDA	19,561	16,741	2,820	17%	
Depreciation & amortisation	(18,399)	(20,136)	1,737	9%	
Finance income	364	488	(124)	-25%	
Finance costs	(7,436)	(6,585)	(851)	-13%	
Loss before tax	(5,910)	(9,492)	3,582	38%	

For the second quarter ended 30 June 2024, both Plantation and Healthcare Divisions show strong performance with higher revenue by 29% and 12% respectively as compared to the last corresponding quarter. This has contributed to the Group's overall higher revenue by 20% or from RM129.3 million to RM154.7 million this quarter.

The Group also shows higher EBITDA by 17% from RM16.7 million to RM19.6 million. EBITDA for the Healthcare Division has increased by 40%, which also represents 59% of the Group's EBITDA for the current quarter under review.

PLANTATION DIVISION

For 2QFY2024, the Plantation Division recorded higher revenue of 29% mainly due to higher FFB production by 26% as compared to the previous corresponding quarter. This has resulted into a higher CPO and PK sales volume by 25% and 10% respectively.

Our Plantation Division has registered an EBITDA of RM12.5 million, slightly lowered by RM1.1 million recorded in the previous corresponding quarter. The division has also reported an LBT of RM4.6 million during the quarter, compared to an LBT of RM4.2 million.

(Company No 196501000477 (6265-P)) (Incorporated in Malaysia)

13. 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 period to date (cont'd.)

Individual quarter - Q2 2024 versus Q2 2023

PLANTATION DIVISION (CONT'D.)

Below are the key operating statistics for Plantation Division:

Plantation Statistics	Q2 2024	Q2 2023	Changes	%
CPO sales volume (mt)	16,270	12,968	3,302	25%
PK sales volume (mt)	3,421	3,113	308	10%
FFB production (mt)	73,49 1	58,48 8	15 ,003	26%
CPO average price (RM)	4,052	3,957	95	2%
PK average price (RM)	2,566	2,158	408	1 9%
Mature area (hectare)	23,386	23,624	(238)	-1%
Immature area (hectare)	5,082	4,907	175	4%
Oil extraction rate (%)	19.82	20.16	(0.34)	-2%
Kernel extraction rate (%)	4.23	4.73	(0.50)	-11%

HEALTHCARE DIVISION

For 2QFY2024, our Healthcare Division continued showing strong performance with a higher revenue of 12%, from RM72.0 million to RM80.6 million during the quarter, as compared to the previous corresponding quarter. This was primarily due to an increase in the number of inpatients by 4%, higher bed occupancy rate by 3%, from 58% to 60% and higher average revenue per inpatient by 8% respectively.

Below are the key operating statistics for Healthcare Division:

Healthcare Statistics	Q2 2024	Q2 2023	Changes	%
Number of inpatient	6,024	5,784	240	4%
Number of outpatient	41,524	41,603	(79)	0%
Inpatient days	16,199	16 ,0 51	1 48	1%
Occupancy rate (%)	60	58	2	3%
Average length of stay (day)	2.69	2.78	(0.09)	-3%
Number of bed	299	306	(7)	-2%
Average revenue per inpatient (RM)	10,233	9,509	724	8%

(Company No 196501000477 (6265-P)) (Incorporated in Malaysia)

13. 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 period to date (cont'd.)

	1H 2024 1H 2023		1H 2024 1H 2023 Change		s
	RM'000	RM'000	RM'000	%	
REVENUE					
Plantation	124,489	110,376	14,113	13%	
Healthcare	165,256	149,982	15,274	10%	
Total revenue	289,745	260,358	29,387	11%	
Plantation	26,139	13,916	12,223	88%	
Healthcare	22,703	20,058	2,645	1 3%	
Investment holding and others	(10,080)	(9,644)	(436)	-5%	
Share of result of associate	66	-	66	100%	
EBITDA	38,828	24,330	1 4,498	60%	
Depreciation & amortisation	(36,844)	(39,680)	2,836	7%	
Finance income	988	998	(10)	-1%	
Finance costs	(14,798)	(12,666)	(2,132)	-17%	
Loss before tax	(11,826)	(27,018)	15,192	56%	

Cumulative quarter - 1H 2024 versus 1H 2023

For the first half this year, the Group recorded an increase in revenue of 11% from RM260.4 million to RM289.7 million, which contributed by higher revenue from both Plantation Division and Healthcare Division by 13% and 10% respectively.

The Group's EBITDA remarkably higher by 60% from RM24.3 million to RM38.8 million this year. The EBITDA for both Divisions are higher by 88% and 13% respectively. The LBT for the Group also significantly improved by 56% from RM27.0 million to RM11.8 million this year.

PLANTATION DIVISION

For 1HFY2024, the Plantation Division recorded a higher revenue of 13% mainly due to higher PK average prices which increased by 14%. The higher revenue was also due to increase in CPO sales volume by 11%, driven by higher FFB production by 17%.

The EBITDA for Plantation Division has significantly improved by 88% as compared to the previous corresponding period mainly due to the division's cost optimisation strategies and initiatives started in 1QFY2024, on top of better top-line revenue in 2QFY2024.

Below are the key operating statistics for Plantation Division:

Plantation Statistics	1H 2024	1H 2023	Changes	%
CPO sales volume (mt)	27,447	24,678	2,769	11%
PK sales volume (mt)	5,803	5,809	(6)	0%
FFB production (mt)	131,481	112 ,346	19,135	17%
CPO average price (RM)	4,043	4,028	15	0%
PK average price (RM)	2,488	2,184	304	14%
Mature area (hectare)	23,386	23,624	(238)	-1%
Immature area (hectare)	5,082	4,907	175	4%
Oil extraction rate (%)	19.54	19.71	(0.17)	-1%
Kernel extraction rate (%)	4.36	4.70	(0.34)	-7%

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13. 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 period to date (cont'd.)

Cumulative quarter - 1H 2024 versus 1H 2023 (cont'd.)

HEALTHCARE DIVISION

For 1HFY2024, revenue came in stronger by 10% at RM165.3 million, as compared to RM150.0 million from the previous corresponding period. The top-line growth was attributed to a higher average revenue per inpatient (up 10%).

Furthermore, EBITDA for the division recorded an improvement of 13% from the previous corresponding period, reaching RM22.7 million. PBT stood steadily higher at RM11.6 million, from RM9.2 million in 1HFY2023.

Below are the key operating statistics for Healthcare Division:

Healthcare Statistics	1H 2024	1H 2023	Changes	%
Number of inpatient	12,378	12,345	33	0%
Number of outpatient	85,351	86,859	(1,508)	-2%
Inpatient days	33,900	35,012	(1,112)	-3%
Occupancy rate (%)	62	63	(1)	-2%
Average length of stay (day)	2.74	2.84	(0.10)	-4%
Number of bed	299	306	(7)	-2%
Average revenue per inpatient (RM)	10,227	9,256	97 1	10%

14. 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 2024 versus Q1 2024

	Q2 2024 Q1 2024		24 Changes	
	RM'000	RM'000	RM'000	%
REVENUE				
Plantation	74,060	50,429	23,631	47%
Healthcare	80,607	84,649	(4,042)	-5%
Total revenue	154,667	135,078	19,589	15%
Plantation	12,459	13,680	(1,221)	-9%
Healthcare	11,536	11,167	369	3%
Investment holding and others	(4,500)	(5,580)	1,080	1 9%
Share of results of associate	66	-	66	100%
EBITDA	19,561	19,267	294	2%
Depreciation & amortisation	(18,399)	(18,445)	46	0%
Profit from al-Mudharabah	364	624	(260)	-42%
Finance costs	(7,436)	(7,362)	`(74)	-1%
Loss before tax	(5,910)	(5,916)	6	0%

14. Explanatory comment on any material change in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter (cont'd.)

Individual quarter - Q2 2024 versus Q1 2024 (cont'd.)

The Group's revenue for the Q2 2024 was higher by 15% as compared to the immediate preceding quarter mainly due to higher revenue at Plantation Division by 47% and mitigated by a slightly lower in revenue of Healthcare Division by 5%.

The Group recorded an EBITDA of RM19.6 million for current quarter, as compared to RM19.3 million in the immediate preceding quarter. It contributed by a slightly higher EBITDA from Healthcare Division while offset with lower EBITDA from Plantation Division by 3% and 9% respectively.

PLANTATION DIVISION

The Plantation Division recorded a higher revenue by 47% mainly due to higher sales volume of CPO and PK by 46% and 44% respectively, driven by an increase in FFB production by 27% as compared to the immediate preceding quarter. The increase in revenue was also contributed by higher CPO and PK average prices by 1% and 8% respectively, as compared to the immediate preceding quarter.

During the quarter, our Plantation Division registered an EBITDA of RM12.5 million, lowered by 9% as compared to RM13.7 million in the immediate preceding quarter.

Below are the key operating statistics for Plantation Division:

Plantation Statistics	Q2 2024	Q1 2024	Changes	%
CPO sales volume (mt)	16 ,270	11,176	5,094	46%
PK sales volume (mt)	3,421	2,382	1,039	44%
FFB production (mt)	73,491	57 ,99 1	15,500	27%
CPO average price (RM)	4,052	4,031	21	1%
PK average price (RM)	2,566	2,376	190	8%
Mature area (hectare)	23,386	23,414	(28)	0%
Immature area (hectare)	5,082	5,082	-	0%
Oil extraction rate (%)	19.82	19.15	0.67	3%
Kernel extraction rate (%)	4.23	4.53	(0.30)	-7%

HEALTHCARE DIVISION

Healthcare Division recorded slightly lower revenue by 5% mainly due to the decrease in number of inpatient and outpatient by 5% and 5% respectively, as compared to the immediate preceding quarter. Decrease in revenue was also due to the reduction in bed occupancy by 6% compared to the previous quarter.

During the quarter, the Healthcare Division registered an EBITDA of RM11.5 million, compared to RM11.2 million in the immediate preceding quarter.

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14. Explanatory comment on any material change in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter (cont'd.)

Individual quarter - Q2 2024 versus Q1 2024 (cont'd.)

HEALTHCARE DIVISION (cont'd.)

Below are the key operating statistics for Healthcare Division:

Healthcare Statistics	Q2 2024	Q1 2024	Changes	%
Number of inpatient	6,024	6,354	(330)	-5%
Number of outpatient	41,524	43,827	(2,303)	-5%
Inpatient days	16,199	17,701	(1,502)	-8%
Occupancy rate (%)	60	64	(4)	-6%
Average length of stay (day)	2.69	2.79	(0.10)	-4%
Number of bed	299	306	(7)	-2%
Average revenue per inpatient (RM)	10,233	10,221	12	0%

15. 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

Malaysia Plantation Division

Palm oil recently posted its longest run of gains since January, mainly supported by production concerns, with a YTD June CPO price averaged RM4,018 per tonne. Latest MPOB supply-demand report for June 2024 showed a surge in palm oil inventories to a four-month high, despite production declined 5.23% compared to May. Compared to the previous quarter (1Q2024), production in 2Q2024 increased by 18.9% and stocks was higher by 6.8%. CPO production in Malaysia year-to-date June 2024 increased by 9.8% or 0.8 million metric tonne (mt) to 8.88 million mt compared to the same period last year.

Palm oil exports from Malaysia is anticipated to increase as shipping issues happened in June are now being sorted out, but the uptrend in palm oil inventories would likely to continue into July 2024 on the back of a seasonal uptick in cropping patterns that will likely offset potential higher export demand, as well as the absence of a notable demand catalyst. CPO stockpiles that currently stand at 1.83 million tonnes as of June month-end have a possibility to gradually increase and approach the 2 million tonne mark in the coming months as the oil palm's cycle enter the peak production season.

The outlook for 3rd quarter and second half of 2024

Moving forward, CPO prices are likely to stay flat within RM3,800 to RM4,200 range as there is no compelling upside catalyst with forecast of higher productions in coming months amid relatively tight supply. Any adverse weather conditions such as drought or flood will affect the availability of crops and will shift the price upwards. There are two key upside risks for CPO prices. First, poor weather conditions due to strong El Nino or La Nina event in the next 12 months and second, a higher mandatory biodiesel blending ratio in Indonesia which will reduce CPO availability for exports from Indonesia.

Other events to watch out for include the prospect of higher-than-expected soybean harvests in South America and in the US, which would likely put pressures on other edible oils prices, the macroeconomic and geopolitical uncertainties such as potential economic slowdown in the United States and slow economic recovery in China, increasing tensions in the Middle East & Eastern Europe, weaker-than-expected demand from India and China, and unfavourable government policies that could impact the demand for palm oil.

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15. 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 (cont'd.)

Divestment of Indonesia Plantation Division

The Conditional Share Purchase Agreement ("CSPA") for the disposal of PT Rafi Kamajaya Abadi ("PT RKA") and PT Sawit Rezki Abadi ("PT SRA") was signed between TDM and Ikhasas Sawit Sdn. Bhd. on the 29 July 2022. PT RKA continues to be fully managed by PT Ikhasas Sawit Indo Makmur through a management services arrangement starting 1 August 2022.

As per announcement to Bursa Malaysia on 2 August 2024, the fulfilment of Condition Precedents has been extended to Long Stop Date of 31 December 2024. Both TDM and the Buyer remain committed to seeing the completion of the disposal.

Healthcare Division

The Healthcare Division recorded moderate growth for the year-to-date FY2024 results. However, it is expected to gain momentum in the second half of the year with the numerous initiatives taken to improve the capacity and the capability of the Healthcare Division.

The business environment remains challenging in the immediate future with escalating medical cost pressures, posing significant impact on Group profitability margin if adequate mitigating measures are not in place. Continuous operational efficiencies initiatives remain the focus of the Group to competitively position itself in the healthcare industry.

In addition, there are new developments within insurance industry which might affect the medical policy holders and private healthcare industry as a whole. Increased collaboration between insurance and private healthcare operator is expected for the best interest of patient care.

Inflation rate which currently remains elevated and unchanged Overnight Policy Rate (OPR) at 3% may continuously affect the private consumption level which include the individual healthcare spending.

The Group is simultaneously pursuing initiatives to elevate patient care and enhance customer experience level throughout its hospitals. Progresses were made towards capacity and capability building to optimise potentials and wider catchment areas for healthcare demand.

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16a. 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.

16b. Explanatory note for any shortfall in the profit guarantee

There was no profit guarantee issued for the quarter ended 30 June 2024.

17. Loss before tax

	Current period to date	
	30-Jun-24 RM'000	30-Jun-23 RM'000
The following amounts have been included in arriving at loss before tax from continuing operations:		
Finance expenses	14,798	12,666
Depreciation of property, plant and equipment	30,551	31,852
Amortisation of intangible asset	429	429
Amortisation of right-of-use assets	5,864	6,090
Amortisation of contract cost assets	-	1,309
Property, plant and equipment written off - Continuing	1,267	2,478
Inventories written off - Continuing	51	54
Expected credit losses of trade receivables	447	1,037
Expected credit losses of other receivables	-	115
(Reversal)/impairment of right-of-use assets - Discontinued	(652)	3,419
(Reversal)/impairment of property, plant and equipment - Discontinued	(2,623)	13,892
Profit from al-Mudharabah	(988)	(998)
Utilisation of contract liabilities	(26,664)	(2,398)
Provision for retirement benefit obligations		
- Continuing	250	250
Share of results of associate	(66)	-
Fair value changes of biological assets	-	
- Continuing	(1,174)	(106)

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

	Current Quarter		Current period to date	
	30-Jun-24 RM'000	30-Jun-23 RM'000	30-Jun-24 RM'000	30-Jun-23 RM'000
Current income tax - continuing operations: Under provision of income tax in prior year	2,875 5	1,166 -	5,676 5	2,423
	2,880	1,166	5,681	2,423
Deferred income tax - continuing operations: Relating to origination and reversal of				
temporary differences	(3,554)	(4,309)	(4,810)	(7,742)
Underprovision of deferred tax in prior periods	-	2,817	-	3,521
Income tax (benefit)/expense	(674)	(326)	871	(1,798)

Income tax was calculated at the Malaysian statutory tax rate of 24% (2023: 24%) of the estimated assessable profit for the period.

The effective tax rate of the Group for the current period to date was higher than the statutory tax rate of the respective period principally due to certain expenses not deductible for tax purposes.

19. Discontinued operation and disposal group classified as held for sale

Assets and liabilities of PT RKA and PT SRA classified as held for sale on the Group's statement of financial position are as below:

	As at 30-Jun-24 RM'000	As at 31-Dec-23 RM'000
Assets:		
Property, plant and equipment	85,006	85,043
Right-of-use assets	21,205	21,216
Prepayment	36	31
Biological assets	184	189
Cash and bank balances	91	43
	106,522	106,522
Liabilities:		
Other payables	(9,811)	(10,136)
Provision	(39,880)	(41,126)
	(49,691)	(51,262)
Net assets directly associated with disposal group	56,831	55,260

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19. Discontinued operation and disposal group classified as held for sale (cont'd.)

The result of PT RKA and PT SRA for the periods are presented below:

	Current period to date		
	30-Jun-24 RM'000	30-Jun-23 RM'000	
Revenue	-	-	
Cost of sales	-	(245)	
Gross loss	-	(245)	
Hibah income	-	-	
Other income *	3,275	-	
Administrative expenses	(621)	(309)	
Other expenses *		(17,311)	
Profit/(loss) before tax	2,654	(17,865)	
Income tax expense		-	
Profit/(loss) for the period from discontinued operations	2,654	(17,865)	

* Included in other income are reversal of impairment amounting to RM3.3 million on right-of-use assets, and property, plant and equipments. In the previous financial period, the Group has recognised an impairment of RM17.3 million of property, plant and equipments and right-of-use assets in other expenses.

20. Corporate proposal

a) Completion Of The Acquisition Of Malay Reserved Land Held Under Gm 12236, Lot No. 18458, Kampong Jaya, Mukim Cukai, Kemaman, Negeri Terengganu (Land) by KMI Assets Sdn. Bhd. ("KMIA")

On 29 April 2024, the acquisition of the Land pursuant to the Sale and Purchase Agreement dated 16 July 2023 made between Majlis Perbandaran Kemaman and KMI Assets Sdn Bhd ("KMIA") has been completed and the title to the Land has been duly registered in the name of KMIA.

21. Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 days (2023: 30 to 90 days) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The Group's trade receivables that are impaired at the reporting date and the movements of the allowance accounts used to record the impairment are as follows:

	As at 30-Jun-24 RM'000	As at 31-Dec-23 RM'000
Trade receivables - nominal amounts	5,256	6,757
Less: Allowance for expected credit losses	(4,443)	(3,996)
	813	2,761

21. Trade receivables (cont'd.)

	Gro	Group		
	As at	As at		
	30-Jun-24	31-Dec-23		
Movement in allowance accounts:	RM'000	RM'000		
At 1 January	3,996	3,207		
Provision for expected credit losses	447	789		
At 30 June/31 December	4,443	3,996		

These receivables are not secured by any collateral or credit enhancements.

22. Loans and borrowings

Total of Group's loan and borrowings as at 30 June 2024 and 31 December 2023 are as follows:

As at 30 June 2024			
	Non-current	Current	Total
	RM'000	RM'000	RM'000
Secured			
Bank loans	257,930	94,477	352,407
Bank overdraft	13,715	-	13,715
Obligations under hire purchase	4,184	4,073	8,257
	275,829	98,550	374,379
Unsecured		-	
Bank loans	45,000	10,000	55,000
	320,829	108,550	429,379
As at 31 December 2023			
Secured			
Bank loans	279,026	71,751	350,777
Bank overdraft	11,705	-	11,705
Obligations under hire purchase	5,867	4,199	10,066
	296,598	75,950	372,548
Unsecured			
Bank loans	59,750	13,250	73,000
	356,348	89,200	445,548

23. 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 period ended 30 June 2024.

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

a) Ministry of Environment and Forestry of Indonesia - Plaintiff vs PT Rafi Kamajaya Abadi ("PT RKA") (cont'd.)

On 27 December 2021, PT RKA received lawsuit claims from the Ministry of Environment and Forestry of Indonesia for the alleged violation against the laws and regulations related to fire incident occurred in PT RKA's plantation in year 2019. The total claims filed by the Ministry of Environment and Forestry is Indonesia Rupiah ("Rp") 1,001,844,350,959 (approximately RM293,669,525), as follows:

- Total damages claimed amounting to Rp270,807,710,959 (approximately RM79,381,562) relating to compensation cost for environment impact verification, loss of ecology and loss of economy; and
- Total compensation claimed amounting to Rp731,036,640,000 (approximately RM214,287,963) relating to costs of make good, reactivate the affected ecology system, repair and redevelop hydrology system, revegetation and monitoring.

During the first hearing of the case at District Court of Sintang of 10 January 2022, the parties have agreed to refer this legal case under mediation process for amicable settlement. However, the mediation which was held on 17 January 2022, could not reach any settlement between the parties. Both parties have agreed to put this legal case into full trial.

The District Court of Sintang had on 8 August 2022 delivered its decision on the case as follows:

- i. PT RKA is responsible on the loss due to the fire incident based on the 'strict liability' principle.
- ii. PT RKA is to pay a compensation of Rp270,807,710,959 (approximately RM81,242,313) for the environmental loss to the National Account of Indonesia as per the claim by the Plaintiff.
- iii. PT RKA is to rehabilitate the environment on the affected area due to the fire incident of 2,560 ha and to reactivate the affected ecology system with the cost of Rp646,216,640,000 (approximately RM193,864,992) as per the claim by the Plaintiff.

The Court rejected the PT RKA's claims on the followings:

- i. For PT RKA to stop all its activities on the affected land area until the full and final disposal of the case; and
- ii. For PT RKA to pay compensation of Rp50,000 for every affected oil palm tree.

PT RKA then appealed against the decision of the District Court of Sintang to High Court of Pontianak. The High Court of Pontianak had on 27 October 2022 decided as follows:

- i. PT RKA is responsible on the loss due to the fire incident based on the 'strict liability' principle.
- ii. PT RKA is to pay a compensation of Rp188,977,440,000 (approximately RM53,504,371) for the environmental loss to the National Account of Indonesia as per the claim.
- PT RKA is to rehabilitate the environment on the affected area due to the fire incident of 2,560 ha and to reactivate the affected ecology system with the cost of Rp731,036,640,000 (Approximately RM206,975,266).

On 18 November 2022, PT RKA has filed an appeal against the above decision of the High Court of Pontianak to the Supreme Court of Indonesia in Jakarta.

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- 24. Changes in material litigation (including status of any pending material litigation) since the last annual balance sheet date (cont'd.)
 - a) Ministry of Environment and Forestry of Indonesia Plaintiff vs PT Rafi Kamajaya Abadi ("PT RKA") (cont'd.)

On 2 November 2023, PT RKA was officially served with the decision of the Supreme Court that the Court rejected the appeal and upheld the decision of Pengadilan Tinggi Pontianak as follows:

- i. PT RKA is to pay a compensation of IDR188,977,440,000 (approximately RM56,677,646) for the environmental loss to the National Account of Indonesia as per the claim by the Respondent; and
- ii. PT RKA is to rehabilitate the environment on the affected area due to the fire incident of 2,560 ha and to reactivate the affected ecology system with the cost of IDR731,036,640,000 (approximately RM219,250,698).

Subsequently, PTRKA had on 12 June 2024 filed a judicial review against the above decision.

The directors are of the opinion, based on legal advice and management assessment, there is probable outflow of resources embodying the economic benefits of RM39,880,000 (2023: RM41,126,000) to settle the above claims. The carrying amount of provision of the Group at the reporting date is disclosed in Note 19.

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25. Dividend

There were no dividend declared by the Group during the quarter under review.

26. Loss per share

Basic loss per share amounts are calculated by dividing loss for the financial period, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial period.

	Individual Current Quarter Ended 30-Jun-24 RM'000	Quarter Preceding Quarter Ended 30-Jun-23 RM'000	Cumulative Current Quarter To date 30-Jun-24 RM'000	Quarter Preceding Quarter To date 30-Jun-23 RM'000
Loss for the financial period attributable to owners of the parent used in the computation of basic loss per share Add: (Profit)/loss for the financial period from discontinued operation,	(126)	(19,624)	(9,088)	(40,742)
attributable to owners of the parent	(3,055)	10,718	(2,485)	16,748
Loss for the financial period from continuing operations attributable to owners of the parent used in the computation of basic loss per share	(3,181)	(8,906)	(11,573)	(23,994)
	Individual	Individual Quarter Cumulative Quarte		Ouarter
	30-Jun-24 number of ordinary shares '000	30-Jun-23 number of ordinary shares '000	30-Jun-24 number of ordinary shares '000	30-Jun-23 number of ordinary shares '000
Weighted average number of ordinary shares in issue for basic loss per share computation	1,722,881	1,722,881	1,722,881	1,722,881
Loss per share attributable to owners of the parent				
Basic loss per share (sen) - continuing operations - discontinued operation	(0.01) (0.18) 0.17	(1.14) (0.52) (0.62)	(0.53) (0.67) 0.14	(2.36) (1.39) (0.97)

27. The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 27 August 2024.

BY ORDER OF THE BOARD

BADROL BIN ABU BAKAR WAN MUHAMMAD AKMAL BIN WAN ZAWAWI Company Secretaries

Kuala Terengganu 27 August 2024