

**GOLDEN AGRI-RESOURCES LTD**

 .....  
**Half Year Financial Statement And Dividend Announcement**  
 .....

**FINANCIAL HIGHLIGHTS**

	<b>1st Half 2016 US\$'000</b>	<b>(Restated) 1st Half 2015 US\$'000</b>	<b>Change %</b>	<b>2nd Qtr 2016 US\$'000</b>	<b>(Restated) 2nd Qtr 2015 US\$'000</b>	<b>Change %</b>
Revenue	3,235,377	3,384,389	(4.4)	1,741,774	1,831,051	(4.9)
Gross Profit	425,627	458,294	(7.1)	163,259	254,688	(35.9)
EBITDA <sup>1</sup>	227,764	273,313	(16.7)	85,889	145,185	(40.8)
Net profit attributable to owners of the Company	133,613	7,207	1,753.9	39,522	10,439	278.6
Net profit per share (USD cents)	1.05	0.06	1,761.3	0.31	0.08	278.7

## Notes:

- (1) Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, net gain from changes in fair value of biological assets and foreign exchange gain/(loss).
- (2) Certain comparative figures have been restated to account for retrospective adjustments arising from the adoption of amended IAS 16 and IAS 41. Please refer to Note 5 for further details.

**PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**

**1(a) An income statement and statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year**

**UNAUDITED CONSOLIDATED INCOME STATEMENT  
FOR THE PERIOD ENDED 30 JUNE 2016**

	<b>1st Half 2016 US\$'000</b>	<b>(Restated) 1st Half 2015 US\$'000</b>	<b>Change %</b>	<b>2nd Qtr 2016 US\$'000</b>	<b>(Restated) 2nd Qtr 2015 US\$'000</b>	<b>Change %</b>
<b>Revenue</b>	3,235,377	3,384,389	(4.4)	1,741,774	1,831,051	(4.9)
Cost of sales	<u>(2,809,750)</u>	<u>(2,926,095)</u>	(4.0)	<u>(1,578,515)</u>	<u>(1,576,363)</u>	0.1
<b>Gross profit</b>	<u>425,627</u>	<u>458,294</u>	(7.1)	<u>163,259</u>	<u>254,688</u>	(35.9)
<b>Operating expenses</b>						
Selling expenses	(257,915)	(224,247)	15.0	(105,790)	(123,081)	(14.0)
General and administrative expenses	<u>(148,291)</u>	<u>(146,941)</u>	0.9	<u>(78,513)</u>	<u>(78,963)</u>	(0.6)
Total operating expenses	<u>(406,206)</u>	<u>(371,188)</u>	9.4	<u>(184,303)</u>	<u>(202,044)</u>	(8.8)
<b>Operating profit/(loss)</b>	<u>19,421</u>	<u>87,106</u>	(77.7)	<u>(21,044)</u>	<u>52,644</u>	n.m.
<b>Other income/(expenses)</b>						
Financial income	12,258	16,600	(26.2)	6,368	8,493	(25.0)
Financial expenses	(64,448)	(64,581)	(0.2)	(32,264)	(32,648)	(1.2)
Share of results of associated companies, net of tax	(161)	(169)	(4.7)	(135)	(113)	19.5
Share of results of joint ventures, net of tax	5,366	4,393	22.1	1,839	2,614	(29.6)
Foreign exchange gain/(loss), net	30,640	(53,505)	n.m.	(21,243)	(18,545)	14.5
Other operating income, net	<u>23,255</u>	<u>27,799</u>	(16.3)	<u>13,698</u>	<u>6,499</u>	110.8
	<u>6,910</u>	<u>(69,463)</u>	n.m.	<u>(31,737)</u>	<u>(33,700)</u>	(5.8)
<b>Profit/(Loss) before tax</b>	26,331	17,643	49.2	(52,781)	18,944	n.m.
Tax	<u>110,844</u>	<u>(11,116)</u>	n.m.	<u>96,356</u>	<u>(8,837)</u>	n.m.
<b>Profit for the period</b>	<u>137,175</u>	<u>6,527</u>	2001.7	<u>43,575</u>	<u>10,107</u>	331.1
<b>Attributable to:</b>						
Owners of the Company	133,613	7,207	1753.9	39,522	10,439	278.6
Non-controlling interests	<u>3,562</u>	<u>(680)</u>	n.m.	<u>4,053</u>	<u>(332)</u>	n.m.
	<u>137,175</u>	<u>6,527</u>	2001.7	<u>43,575</u>	<u>10,107</u>	331.1

Notes:

(1) n.m. – not meaningful.

(2) Certain comparative figures have been restated to account for retrospective adjustments arising from the adoption of amended IAS 16 and IAS 41. Please refer to Note 5 for further details.

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 30 JUNE 2016**

	1st Half 2016 <u>US\$'000</u>	(Restated) 1st Half 2015 <u>US\$'000</u>	2nd Qtr 2016 <u>US\$'000</u>	(Restated) 2nd Qtr 2015 <u>US\$'000</u>
<b>Profit for the period</b>	137,175	6,527	43,575	10,107
<b>Other comprehensive income/(loss):</b>				
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Foreign currency translation differences on consolidation	(1,950)	(2,664)	(4,767)	1,119
Share of other comprehensive income/(loss) of a joint venture	1,210	(1,549)	155	(441)
Changes in fair value of cash flow hedges	1,370	(582)	628	1,074
Changes in fair value of available-for-sale financial assets	419	4,615	2,072	(1,549)
Equity portion of bonds	-	(264)	-	(264)
	<u>1,049</u>	<u>(444)</u>	<u>(1,912)</u>	<u>(61)</u>
<u>Items that will not be reclassified subsequently to profit or loss:</u>				
Actuarial (loss)/gain on post-employment benefits	(10,558)	441	(10,558)	-
<b>Other comprehensive loss, net of tax</b>	<u>(9,509)</u>	<u>(3)</u>	<u>(12,470)</u>	<u>(61)</u>
<b>Total comprehensive income for the period, net of tax</b>	<u>127,666</u>	<u>6,524</u>	<u>31,105</u>	<u>10,046</u>
<b>Total comprehensive income/(loss) attributable to:</b>				
Owners of the Company	124,445	7,203	27,428	10,380
Non-controlling interests	3,221	(679)	3,677	(334)
	<u>127,666</u>	<u>6,524</u>	<u>31,105</u>	<u>10,046</u>

**ADDITIONAL INFORMATION**

**Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, net gain from changes in fair value of biological assets and foreign exchange gain/(loss) ("EBITDA")**

	1st Half 2016 <u>US\$'000</u>	(Restated) 1st Half 2015 <u>US\$'000</u>	Change %	2nd Qtr 2016 <u>US\$'000</u>	(Restated) 2nd Qtr 2015 <u>US\$'000</u>	Change %
<b>Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, net gain from changes in fair value of biological assets and foreign exchange gain/(loss) ("EBITDA")</b>	227,764	273,313	(16.7)	85,889	145,185	(40.8)
Interest on borrowings	(62,936)	(63,020)	(0.1)	(31,519)	(32,008)	(1.5)
Depreciation and amortisation	(174,286)	(148,808)	17.1	(88,891)	(75,718)	17.4
Net gain from changes in fair value of biological assets	5,149	9,663	(46.7)	2,983	30	n.m.
Foreign exchange gain/(loss), net	<u>30,640</u>	<u>(53,505)</u>	n.m.	<u>(21,243)</u>	<u>(18,545)</u>	14.5
<b>Profit/(Loss) before tax</b>	<u>26,331</u>	<u>17,643</u>	49.2	<u>(52,781)</u>	<u>18,944</u>	n.m.

Notes:

- (1) Certain comparative figures have been restated to account for retrospective adjustments arising from the adoption of amended IAS 16 and IAS 41. Please refer to Note 5 for further details.
- (2) n.m. – not meaningful.

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year**

**UNAUDITED STATEMENTS OF FINANCIAL POSITION**

	Group			Company	
	As at 30/6/2016 <u>US\$'000</u>	(Restated) As at 31/12/2015 <u>US\$'000</u>	(Restated) As at 31/12/2014 <u>US\$'000</u>	As at 30/6/2016 <u>US\$'000</u>	As at 31/12/2015 <u>US\$'000</u>
<b>Assets</b>					
Current Assets					
Cash and cash equivalents	157,853	243,616	329,560	90	95
Short-term investments	229,657	258,882	261,166	-	-
Trade receivables	476,818	462,152	525,816	-	-
Other current assets (note (a))	1,015,329	959,867	889,756	15	9
Inventories	888,995	740,918	850,723	-	-
	2,768,652	2,665,435	2,857,021	105	104
Non-Current Assets					
Long-term receivables and assets (note (b))	259,057	202,870	360,593	-	-
Long-term investments	828,094	815,252	804,318	333,300	323,550
Subsidiary companies	-	-	-	2,040,307	2,097,665
Associated companies	9,192	9,556	8,431	-	-
Joint ventures	61,384	55,771	56,167	-	-
Investment properties	1,059	1,113	1,227	-	-
Property, plant and equipment	2,840,550	2,842,292	2,551,664	-	-
Bearer plants	1,152,831	1,227,784	1,227,976	-	-
Deferred tax assets	192,306	56,523	27,036	-	-
Intangible assets	161,053	159,114	160,706	-	-
	5,505,526	5,370,275	5,198,118	2,373,607	2,421,215
<b>Total Assets</b>	<b>8,274,178</b>	<b>8,035,710</b>	<b>8,055,139</b>	<b>2,373,712</b>	<b>2,421,319</b>

Note: Certain comparative figures have been restated and reclassified to account for retrospective adjustments arising from the adoption of amended IAS 16 and IAS 41. Please refer to Note 5 for further details.

**UNAUDITED STATEMENTS OF FINANCIAL POSITION (cont'd)**

	<b>Group</b>			<b>Company</b>	
	<b>As at 30/6/2016 US\$'000</b>	<b>(Restated) As at 31/12/2015 US\$'000</b>	<b>(Restated) As at 31/12/2014 US\$'000</b>	<b>As at 30/6/2016 US\$'000</b>	<b>As at 31/12/2015 US\$'000</b>
<b>Liabilities and Equity</b>					
Current Liabilities					
Short-term loans	1,380,942	1,366,102	1,251,081	-	-
Bonds payable	111,194	80,645	389,882	-	-
Trade payables	557,061	612,040	543,197	-	-
Other payables (note(c))	290,901	254,275	286,720	30,585	31,511
Taxes payable	28,144	15,422	29,554	-	-
Obligations under finance leases	139	114	132	-	-
	<u>2,368,381</u>	<u>2,328,598</u>	<u>2,500,566</u>	<u>30,585</u>	<u>31,511</u>
Non-Current Liabilities					
Obligations under finance leases	16	99	269	-	-
Bonds and notes payables	990,064	1,085,963	1,040,087	-	-
Long-term borrowings	747,819	512,462	387,250	-	-
Deferred tax liabilities	213,099	238,449	257,461	-	-
Long-term payables and liabilities	125,197	120,741	76,691	-	-
	<u>2,076,195</u>	<u>1,957,714</u>	<u>1,761,758</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>4,444,576</u>	<u>4,286,312</u>	<u>4,262,324</u>	<u>30,585</u>	<u>31,511</u>
Equity Attributable to Owners of the Company					
Issued capital	320,939	320,939	320,939	320,939	320,939
Share premium	1,216,095	1,216,095	1,216,095	1,850,965	1,850,965
Treasury shares	(31,726)	(31,726)	-	(31,726)	(31,726)
Other paid-in capital	184,318	184,318	184,318	-	-
Other reserves					
Option reserve	31,471	31,471	31,469	31,471	31,471
Currency translation reserve	(3,333)	(2,795)	12,293	-	-
Fair value reserve	2,711	2,292	-	-	-
PRC statutory reserve	3,820	3,820	3,820	-	-
Hedging reserve	(2)	(1,372)	(632)	-	-
Other reserve	19,651	30,070	19,969	-	-
	54,318	63,486	66,919	31,471	31,471
Retained earnings	2,042,893	1,956,742	1,963,323	171,478	218,159
	<u>3,786,837</u>	<u>3,709,854</u>	<u>3,751,594</u>	<u>2,343,127</u>	<u>2,389,808</u>
Non-Controlling Interests	42,765	39,544	41,221	-	-
Total Equity	<u>3,829,602</u>	<u>3,749,398</u>	<u>3,792,815</u>	<u>2,343,127</u>	<u>2,389,808</u>
<b>Total Liabilities and Equity</b>	<b><u>8,274,178</u></b>	<b><u>8,035,710</u></b>	<b><u>8,055,139</u></b>	<b><u>2,373,712</u></b>	<b><u>2,421,319</u></b>

**UNAUDITED STATEMENTS OF FINANCIAL POSITION (cont'd)**

**Note:**

**(a) Other Current Assets**

	<u>Group</u>		<u>Company</u>	
	<u>As at 30/6/2016 US\$'000</u>	<u>(Restated) As at 31/12/2015 US\$'000</u>	<u>As at 30/6/2016 US\$'000</u>	<u>As at 31/12/2015 US\$'000</u>
Prepaid expenses	52,374	22,463	14	8
Prepaid taxes, net	241,582	369,442	-	-
Deposits and advances to suppliers	386,522	291,086	-	-
Biological assets	56,524	51,375	-	-
Derivative receivable	8,258	-	-	-
Others	97,039	87,194	1	1
	<u>842,299</u>	<u>821,560</u>	<u>15</u>	<u>9</u>
Receivable from joint ventures	173,000	138,174	-	-
Receivable from related parties	30	133	-	-
	<u>1,015,329</u>	<u>959,867</u>	<u>15</u>	<u>9</u>

**(b) Long-Term Receivables and Assets**

	<u>Group</u>		<u>Company</u>	
	<u>As at 30/6/2016 US\$'000</u>	<u>As at 31/12/2015 US\$'000</u>	<u>As at 30/6/2016 US\$'000</u>	<u>As at 31/12/2015 US\$'000</u>
Loans to joint ventures	35,081	28,344	-	-
Tax recoverable	146,929	93,956	-	-
Advances for project plasma plantations	22,165	17,189	-	-
Advances for projects	27,030	36,832	-	-
Land clearing	2,588	1,564	-	-
Advances for investments in land	2,759	2,759	-	-
Others	22,505	22,226	-	-
	<u>259,057</u>	<u>202,870</u>	<u>-</u>	<u>-</u>

**(c) Other Payables**

	<u>Group</u>		<u>Company</u>	
	<u>As at 30/6/2016 US\$'000</u>	<u>As at 31/12/2015 US\$'000</u>	<u>As at 30/6/2016 US\$'000</u>	<u>As at 31/12/2015 US\$'000</u>
Advances from customers	34,109	27,747	-	-
Accrued expenses	62,934	49,913	90	275
Payable to third parties	160,493	153,674	-	-
Others	29,208	18,540	6	5
	<u>286,744</u>	<u>249,874</u>	<u>96</u>	<u>280</u>
Related parties	4,157	4,401	30,489	31,231
	<u>290,901</u>	<u>254,275</u>	<u>30,585</u>	<u>31,511</u>

## 1(b)(ii) Aggregate amount of group's borrowings and debt securities

	As at 30/6/2016 US\$'000			As at 31/12/2015 US\$'000		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Amount repayable in one year or less, or on demand	930,725	561,550	1,492,275	1,009,025	437,836	1,446,861
Amount repayable after one year	747,835	990,064	1,737,899	512,561	1,085,963	1,598,524
<b>Total</b>	<b>1,678,560</b>	<b>1,551,614</b>	<b>3,230,174</b>	<b>1,521,586</b>	<b>1,523,799</b>	<b>3,045,385</b>

### Details of any collateral

The secured borrowings are collateralised by certain cash and cash equivalents, short-term investments, inventories, trade receivables, bearer plants, biological assets and property, plant and equipment.

## 1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

### UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2016

	1st Half 2016 US\$'000	(Restated) 1st Half 2015 US\$'000	2nd Qtr 2016 US\$'000	(Restated) 2nd Qtr 2015 US\$'000
<b>Cash flows from operating activities</b>				
<b>Profit/(Loss) before tax</b>	<b>26,331</b>	<b>17,643</b>	<b>(52,781)</b>	<b>18,944</b>
Adjustments for:				
Depreciation	173,365	148,013	88,452	75,319
Amortisation	921	795	439	399
Net gain from changes in fair value of biological assets	(5,149)	(9,663)	(2,983)	(30)
Unrealised foreign exchange (gain)/loss, net	(12,230)	13,375	(1,024)	186
Share of results of associated companies, net of tax	161	169	135	113
Share of results of joint ventures, net of tax	(5,366)	(4,393)	(1,839)	(2,614)
(Gain)/Loss on disposal of property, plant and equipment	(224)	590	(162)	222
Property, plant and equipment written off	595	542	316	256
Bearer plants written off	337	-	337	-
Allowance for/(Write-back of) impairment loss on:				
Inventories, net	172	1,330	(74)	2,416
Trade receivables, net	21	(16)	(24)	(16)
Changes in fair value of financial assets at fair value through profit or loss	(5,212)	(6,306)	(1,979)	(916)
Interest income	(12,258)	(16,600)	(6,368)	(8,493)
Interest expense	62,936	63,020	31,519	32,008
<b>Operating cash flow before working capital changes</b>	<b>224,400</b>	<b>208,499</b>	<b>53,964</b>	<b>117,794</b>
Changes in operating assets and liabilities:				
Trade receivables	(14,701)	30,440	(65,749)	(63,690)
Other current assets	(173,520)	(148,351)	(119,539)	(59,949)
Inventories	(148,231)	94,376	(109,290)	47,782
Trade payables	(54,979)	182,543	8,228	253,919
Other payables	33,854	178,068	(2,471)	123,629
<b>Cash (used in)/generated from operations</b>	<b>(133,177)</b>	<b>545,575</b>	<b>(234,857)</b>	<b>419,485</b>
Interest received	7,084	9,738	3,689	6,336
Interest paid	(58,090)	(55,078)	(33,315)	(32,783)
Tax refund/(paid)	58,882	(39,949)	50,379	(65,060)
<b>Net cash (used in)/generated from operating activities</b>	<b>(125,301)</b>	<b>460,286</b>	<b>(214,104)</b>	<b>327,978</b>

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 JUNE 2016 (cont'd)**

	1st Half 2016 <u>US\$'000</u>	(Restated) 1st Half 2015 <u>US\$'000</u>	2nd Qtr 2016 <u>US\$'000</u>	(Restated) 2nd Qtr 2015 <u>US\$'000</u>
<b>Cash flows from investing activities</b>				
Proceeds from disposal of property, plant and equipment	4,308	2,426	3,164	510
Proceeds from disposal of bearer plants	188	1,553	159	531
Capital expenditure on property, plant and equipment	(98,322)	(222,976)	(51,404)	(138,903)
Acquisition and capital expenditure on bearer plants	(4,300)	(25,798)	(2,688)	(4,564)
Proceeds from/(Investments in) financial assets, net	22,014	(25,648)	16,578	5,911
Additional investment in a joint venture	(1,000)	(1,000)	(500)	(1,000)
(Investments in)/Proceeds from Plasma/KKPA Program plantations, net	(632)	(1,507)	160	339
Acquisition of subsidiaries, net of cash acquired	-	(53,597)	-	(53,597)
Dividends received from a joint venture	2,250	3,000	1,250	1,000
Payments for deferred expenditure and intangible assets	(2,154)	(55)	(496)	(3)
Net increase in long-term receivables and assets	(1,584)	(76,632)	(2,422)	(21,017)
<b>Net cash used in investing activities</b>	<b>(79,232)</b>	<b>(400,234)</b>	<b>(36,199)</b>	<b>(210,793)</b>
<b>Cash flows from financing activities</b>				
Proceeds from short-term loans	1,261,663	1,223,222	904,891	608,975
Proceeds from long-term borrowings	345,348	-	80,751	-
Proceeds from notes issue, net	-	148,698	-	148,698
Payments of dividends	(47,462)	(56,643)	(47,462)	(16,993)
Payments of short-term loans	(1,248,445)	(1,397,892)	(680,098)	(823,029)
Payments of long-term borrowings	(107,505)	(53,225)	(54,182)	(37,558)
Payments of obligations under finance leases	(58)	(112)	(33)	(49)
Payments of notes payable	(80,645)	-	-	-
Payments for shares buy back	-	(31,726)	-	(11,063)
Payments for repurchase of bonds	-	(4,351)	-	(4,351)
Payments of deferred loan charges and bank loan administration costs	(4,126)	(176)	(1,013)	(148)
Increase in cash in banks and time deposits pledged	(28,619)	(15,250)	(3,846)	(12,841)
<b>Net cash generated from/(used in) financing activities</b>	<b>90,151</b>	<b>(187,455)</b>	<b>199,008</b>	<b>(148,359)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(114,382)</b>	<b>(127,403)</b>	<b>(51,295)</b>	<b>(31,174)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>226,888</b>	<b>322,646</b>	<b>163,801</b>	<b>226,417</b>
<b>Cash and cash equivalents at the end of the period</b> (See Note below)	<b>112,506</b>	<b>195,243</b>	<b>112,506</b>	<b>195,243</b>

**Note:**

Cash and cash equivalents included in consolidated statement of cash flows consist of the following:

	30/6/2016 <u>US\$'000</u>	30/6/2015 <u>US\$'000</u>
Time deposits, cash and bank balances	157,853	217,407
Less: Cash in banks and time deposits pledged	(45,347)	(22,164)
	<u>112,506</u>	<u>195,243</u>



**1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

<b>The Group</b>	<----- Attributable to Owners of the Company ----->						Total	Non-Controlling Interests	Total Equity
	Issued Capital	Share Premium	Treasury Shares	Other Paid-in Capital	Other Reserves	Retained Earnings			
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>			
Balance at 1 Jan 2016 as previously reported	320,939	1,216,095	(31,726)	184,318	41,708	6,928,359	8,659,693	88,473	8,748,166
Effect of adoption of amended IAS16 and IAS41	-	-	-	-	21,778	(4,971,617)	(4,949,839)	(48,929)	(4,998,768)
Balance at 1 Jan 2016 as restated	320,939	1,216,095	(31,726)	184,318	63,486	1,956,742	3,709,854	39,544	3,749,398
Profit/(Loss) for the period	-	-	-	-	-	94,091	94,091	(491)	93,600
Other comprehensive income	-	-	-	-	2,926	-	2,926	35	2,961
Total comprehensive income/(loss) for the period	-	-	-	-	2,926	94,091	97,017	(456)	96,561
Balance at 31 Mar 2016	320,939	1,216,095	(31,726)	184,318	66,412	2,050,833	3,806,871	39,088	3,845,959
Profit for the period	-	-	-	-	-	39,522	39,522	4,053	43,575
Other comprehensive loss	-	-	-	-	(12,094)	-	(12,094)	(376)	(12,470)
Total comprehensive (loss)/income for the period	-	-	-	-	(12,094)	39,522	27,428	3,677	31,105
Dividends paid for 2015	-	-	-	-	-	(47,462)	(47,462)	-	(47,462)
Balance at 30 Jun 2016	320,939	1,216,095	(31,726)	184,318	54,318	2,042,893	3,786,837	42,765	3,829,602

**1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

<b>The Group</b>	←----- Attributable to Owners of the Company ----->						Total	Non-Controlling Interests	Total Equity
	Issued Capital	Share Premium	Treasury Shares	Other Paid-in Capital	Other Reserves	Retained Earnings			
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>			
Balance at 1 Jan 2015 as previously reported	320,939	1,216,095	-	184,318	45,141	6,962,010	8,728,503	89,818	8,818,321
Effect of adoption of amended IAS16 and IAS41	-	-	-	-	21,778	(4,998,687)	(4,976,909)	(48,597)	(5,025,506)
Balance at 1 Jan 2015 as restated	320,939	1,216,095	-	184,318	66,919	1,963,323	3,751,594	41,221	3,792,815
Loss for the period	-	-	-	-	-	(3,232)	(3,232)	(348)	(3,580)
Other comprehensive income	-	-	-	-	55	-	55	3	58
Total comprehensive income/(loss) for the period	-	-	-	-	55	(3,232)	(3,177)	(345)	(3,522)
Shares buy back and held as treasury shares	-	-	(20,663)	-	-	-	(20,663)	-	(20,663)
Balance at 31 Mar 2015 as restated	320,939	1,216,095	(20,663)	184,318	66,974	1,960,091	3,727,754	40,876	3,768,630
Profit/(Loss) for the period	-	-	-	-	-	10,439	10,439	(332)	10,107
Other comprehensive loss	-	-	-	-	(59)	-	(59)	(2)	(61)
Total comprehensive (loss)/income for the period	-	-	-	-	(59)	10,439	10,380	(334)	10,046
Shares buy back and held as treasury shares	-	-	(11,063)	-	-	-	(11,063)	-	(11,063)
Dividends paid for 2014	-	-	-	-	-	(16,933)	(16,933)	-	(16,933)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	(60)	(60)
Acquisition of subsidiaries	-	-	-	-	-	-	-	9	9
Balance at 30 Jun 2015 as restated	320,939	1,216,095	(31,726)	184,318	66,915	1,953,597	3,710,138	40,491	3,750,629

**1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

<b><u>The Company</u></b>	Issued Capital US\$'000	Share Premium US\$'000	Treasury Shares US\$'000	Option Reserve US\$'000	Retained Earnings US\$'000	Total US\$'000
Balance as at 1 Jan 2016	320,939	1,850,965	(31,726)	31,471	218,159	2,389,808
Profit for the period, representing total comprehensive income for the period	-	-	-	-	640	640
Balance as at 31 Mar 2016	320,939	1,850,965	(31,726)	31,471	218,799	2,390,448
Profit for the period, representing total comprehensive income for the period	-	-	-	-	141	141
Dividends paid for 2015	-	-	-	-	(47,462)	(47,462)
Balance as at 30 Jun 2016	<u>320,939</u>	<u>1,850,965</u>	<u>(31,726)</u>	<u>31,471</u>	<u>171,478</u>	<u>2,343,127</u>
Balance as at 1 Jan 2015	320,939	1,850,965	-	31,469	241,172	2,444,545
Loss for the period, representing total comprehensive loss for the period	-	-	-	-	(2,352)	(2,352)
Shares buy back and held as treasury shares	-	-	(20,663)	-	-	(20,663)
Balance as at 31 Mar 2015	320,939	1,850,965	(20,663)	31,469	238,820	2,421,530
Loss for the period	-	-	-	-	(2,453)	(2,453)
Other comprehensive loss	-	-	-	(264)	-	(264)
Total comprehensive loss for the period	-	-	-	(264)	(2,453)	(2,717)
Dividends paid for 2014	-	-	-	-	(16,933)	(16,933)
Shares buy back and held as treasury shares	-	-	(11,063)	-	-	(11,063)
Balance as at 30 Jun 2015	<u>320,939</u>	<u>1,850,965</u>	<u>(31,726)</u>	<u>31,205</u>	<u>219,434</u>	<u>2,390,817</u>

**1(d)(ii) Details of any changes in the company’s share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

Details of the Company’s issued and paid-up capital were as follows:

	<b>As at</b>	
	<b>30 Jun 2016</b>	<b>30 Jun 2015</b>
Number of treasury shares	102,792,400	102,792,400
Number of issued shares (excluding treasury shares)	12,734,756,156	12,734,756,156
Number of new shares that may be issued on the conversion of outstanding convertible bonds	-	580,418,605

There were no movements in the Company’s issued capital (excluding treasury shares) since 31 December 2015.

**1(d)(iii) To show the number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares excluding treasury shares as at 30 June 2016 and 31 December 2015 was 12,734,756,156 ordinary shares.

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There were no changes in the number of ordinary shares held as treasury shares by the Company since 31 December 2015.

**2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice**

These figures have not been audited, or reviewed by the auditors.

**3. Where the figures have been audited or reviewed, the auditors’ report (including any qualifications or emphasis of matter)**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer’s most recently audited annual financial statements have been applied**

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation consistent with those used in the most recent audited annual financial statements for the year ended 31 December 2015.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

The Group adopted various new and revised IFRSs that are relevant to its operations and effective for period beginning 1 January 2016. Except as disclosed below, the adoption of the new and revised IFRSs has had no material financial impact on the Group's financial statements.

The amendments to IAS 16 and IAS 41, *Agriculture: Bearer Plants*, require biological assets that meet the definition of a bearer plant to be accounted for as property, plant and equipment in accordance with IAS 16 while the agricultural produce growing on bearer plants will remain within the scope of IAS 41 to be measured at fair value less costs to sell. Bearer plants are defined as living plants that are used in the production or supply of agricultural produce and of which there is only a remote likelihood that the plant will also be sold as agricultural produce.

Prior to adoption of these amendments, the Group's biological assets are measured at fair value less estimated point-of-sales costs at the end of financial year. Upon the adoption of these amendments, biological assets that meet the definition of bearer plants are no longer be within the scope of IAS 41. Instead, bearer plants are subsequently measured at accumulated cost less accumulated depreciation. The change in accounting policy has been applied retrospectively and the comparatives have been restated with the following impact:

	<b>As previously reported 1H2015 US\$'000</b>	<b>Restated for adoption of amended IAS 16 and IAS 41 1H2015 US\$'000</b>	<b>As previously reported 2Q2015 US\$'000</b>	<b>Restated for adoption of amended IAS 16 and IAS 41 2Q2015 US\$'000</b>
<u>Consolidated income statement</u>				
Cost of sales	(2,858,452)	(2,926,095)	(1,542,168)	(1,576,363)
Other operating income	18,136	27,799	6,469	6,499
Profit before tax	75,623	17,643	53,109	18,944
Tax	(19,568)	(11,116)	(14,264)	(8,837)
Profit for the period	56,055	6,527	38,845	10,107
<u>Profit/(Loss) attributable to:</u>				
Owner of the Company	55,939	7,207	38,752	10,439
Non-controlling interests	116	(680)	93	(332)

	<b>As previously reported As at 31/12/2015 US\$'000</b>	<b>Restated for adoption of amended IAS 16 and IAS 41 As at 31/12/2015 US\$'000</b>
<u>Consolidated statement of financial position</u>		
Biological assets	7,839,038	51,375
Bearer plants	-	1,227,784
Deferred tax liabilities	1,799,560	238,449
Equity attributable to Owners of the Company	8,659,693	3,709,854
Non-controlling interests	88,473	39,544

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

	<b>The Group</b>			
	<b>1st Half 2016</b>	<b>(Restated) 1st Half 2015</b>	<b>2nd Qtr 2016</b>	<b>(Restated) 2nd Qtr 2015</b>
Earnings per ordinary share for the period after deducting any provision for preference dividends:-				
(i) Based on weighted average number of ordinary shares	USD1.05cents	USD0.06cents	USD0.31cents	USD0.08cents
- Weighted average numbers of shares	12,734,756,156	12,785,506,689	12,734,756,156	12,737,035,497
(ii) On a fully diluted basis	Not applicable	Not applicable	Not applicable	Not applicable
- Weighted average numbers of shares	Not applicable	Not applicable	Not applicable	Not applicable

**7. Net asset value (for the issuer and group) per ordinary share based on issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year**

	<b>The Group</b>		<b>The Company</b>	
	<b>As at 30 Jun 2016</b>	<b>(Restated) As at 31 Dec 2015</b>	<b>As at 30 Jun 2015</b>	<b>As at 31 Dec 2015</b>
Net asset value per ordinary share based on existing issued share capital of 12,734,756,156 shares	US\$0.30	US\$0.29	US\$0.18	US\$0.19

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

	1st Half 2016 <u>US\$'000</u>	1st Half 2015 <u>US\$'000</u>	Change %
<b>Revenue by segment</b>			
Plantation and palm oil mills	599,302	772,948	(22.5)
Palm and laurics	2,798,747	3,037,230	(7.9)
Oilseeds	347,219	318,543	9.0
Others	92,068	103,001	(10.6)
Inter-segment eliminations	(601,959)	(847,333)	(29.0)
<b>Total Revenue</b>	<u>3,235,377</u>	<u>3,384,389</u>	(4.4)
<b>EBITDA by segment</b>			
Plantation and palm oil mills	148,973	210,902	(29.4)
Palm and laurics	74,737	55,363	35.0
Oilseeds	2,816	5,199	(45.8)
Others	1,118	1,265	(11.6)
Inter-segment eliminations	120	584	(79.5)
<b>Total EBITDA</b>	<u>227,764</u>	<u>273,313</u>	(16.7)

Notes:

- (1) EBITDA refers to earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, net gain from changes in fair value of biological assets and foreign exchange gain/(loss).
- (2) n.m. - not meaningful.
- (3) Plantation and palm oil mills segment refers to products from upstream business.
- (4) Palm and laurics segment refers to processing and merchandising of palm based products, i.e. bulk and branded as well as oleochemicals.
- (5) Oilseeds segment refers to processing and merchandising of oilseed based products, i.e. bulk and branded.
- (6) Others refer to production and distribution of food & consumer products in China and Indonesia.

## REVIEW OF PERFORMANCE FOR HALF YEAR ENDED 30 JUNE 2016

The Group recorded revenue of US\$3,235.4 million for the half year ended 30 June 2016 ("1H2016") with EBITDA lower at US\$227.8 million as compared to US\$273.3 million in the corresponding period in 2015 ("1H2015"). The operating performance of the group was affected by lower production yield and implementation of export levy in July 2015.

### PLANTATION AND PALM OIL MILLS

Revenue from our plantation and palm oil mills segment decreased by 22.5% to US\$599.3 million in 1H2016, mainly attributable to lower production output. Fresh fruit bunch ("FFB") and total palm product output for the current period were lower at 3,484,000 tonnes and 1,009,000 tonnes respectively as compared to 4,577,000 tonnes and 1,351,000 tonnes respectively in 1H2015 mainly attributable to the prolonged dry conditions due to the El Nino weather condition. Consequently, EBITDA from our plantation and palm oil mills segment decreased by 29.4% to US\$149.0 million in 1H2016.

The average international CPO (FOB Belawan) price for the current period was US\$637 per tonne as compared to US\$628 per tonne in 1H2015. Our current period's net realisable selling price was affected by the export levy that was implemented in July 2015.

### PALM AND LAURICS

Revenue from our palm and laurics segment was 7.9% lower at US\$2,798.7 million in 1H2016 mainly attributable to lower average realised prices. However, the improvement in margins has resulted in an increase in EBITDA from palm and laurics segment from US\$55.4 million in 1H2015 to US\$74.7 million.

## **OILSEEDS**

Revenue from oilseeds segment increased by 9% to US\$347.2 million in 1H2016 mainly resulting from higher sales volume. EBITDA decreased from US\$5.2 million in 1H2015 to US\$2.8 million due to higher purchase cost of soy beans.

## **SELLING EXPENSES**

Selling expenses comprised mainly transportation and freight, export tax and levy, advertising and promotion expenses and salaries. Selling expenses increased by 15.0% to US\$257.9 million in the current period mainly due to export levy for palm oil incurred in Indonesia which was implemented in July 2015.

## **FINANCIAL INCOME**

Financial income decreased from US\$16.6 million in 1H2015 to US\$12.3 million mainly resulting from lower average time deposits during the current period.

## **SHARE OF RESULTS OF JOINT VENTURES, NET**

The better operating performance in our shipping operations contributed to the increase in our share of net profit from joint ventures from US\$4.4 million in 1H2015 to US\$5.4 million in 1H2016.

## **FOREIGN EXCHANGE GAIN/(LOSS), NET**

The Group recorded a net foreign exchange gain of US\$30.6 million in 1H2016 as compared to net loss of US\$53.5 million in the previous corresponding period. This was mainly due to translation gain on Indonesian Rupiah ("IDR") denominated monetary assets following the strengthening of IDR against USD.

## **OTHER OPERATING INCOME, NET**

Net other operating income of US\$23.3 million comprised mainly income from sales of seedlings and other materials, rental and changes in fair value of biological assets (agricultural produce) and financial assets. Lower net other operating income in the current period was mainly due to decrease in gain from changes in fair value of biological assets from US\$9.7 million to US\$5.1 million.

## **TAX**

Income tax comprised provision for current and deferred income tax derived by applying the varying statutory tax rates of the different countries in which the Group operates on its taxable profit and taxable temporary difference. No group relief is available for set-off of taxable profits against tax losses of companies within the Group.

For future tax benefit, the Group revalued some of its plantation assets in Indonesia. Consequently, substantial deferred income tax assets was recognised resulting in a net tax credit of US\$110.8 million in 1H2016.

## **REVIEW OF FINANCIAL POSITION AS AT 30 JUNE 2016**

The Group adopted the amendments to IAS 16 and IAS 41, *Agriculture: Bearer Plants*, requiring bearer plants to be subsequently measured at costs less accumulated depreciation with effect from 1 January 2016. This change has been adjusted retrospectively and the comparatives have been restated with the impact shown in Note 5 above.



## ASSETS

The Group's total assets increased by US\$238.5 million to US\$8,274.2 million as at 30 June 2016. This increase was mainly attributable to higher inventories and deferred tax assets, partially offset by lower cash and cash equivalents.

Inventories increased by US\$148.1 million to US\$889.0 million mainly attributable to higher inventories level for our refined products of our downstream businesses, as well as higher raw material cost.

Deferred tax assets increased by US\$135.8 million to US\$192.3 million mainly due to recognition of deferred tax assets arising from higher tax depreciable value of certain plantation assets in Indonesia.

Long-term receivables increased by US\$56.2 million mainly due to higher estimated tax recoverable.

## LIABILITIES

The Group's total liabilities increased by US\$158.3 million to US\$4,444.6 million as at 30 June 2016. This was mainly attributable to higher total borrowings, partially offset by reduction in trade payables following repayment made.

## REVIEW OF CASH FLOWS FOR HALF YEAR ENDED 30 JUNE 2016

Compared to the previous corresponding period, the Group generated higher operating cash inflows before working capital changes of US\$224.4 million. However, higher working capital requirements for the downstream operations have resulted in a net cash outflows generated from operating activities of US\$125.3 million.

Net cash used in investing activities of US\$79.2 million was mainly relating to capital expenditures on our property, plant and equipment.

Net cash generated from financing activities of US\$90.2 million was mainly related to proceeds from new drawdown for our working capital, net of repayment made and payment for dividends during the current period.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

Not applicable.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

The Group's operating performance will be affected by the prices of CPO and competing seed oils, climatic conditions and fluctuating foreign currency exchange rates. The Group's production will continue be affected by the El Nino weather condition, but the impact may be mitigated by higher CPO prices, resulting from the underlying fundamentals due to continued tight supply and increased domestic demand following Indonesia's biodiesel programme. The Group will continue optimising margins through further vertical integration of its operations, as well as improving its yield and cost efficiency.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any ordinary dividend declared for the current financial period reported on? No.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any ordinary dividend declared for the corresponding period of the immediately preceding financial year? No.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12. If no dividend has been declared/recommendeded, a statement to that effect**

No dividend has been declared for the quarter ended 30 June 2016.

**13. Interested persons transactions disclosure**

Name of interested person	Aggregate value of all interested person transactions during the period under review (excluding transactions less than SGD100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than SGD100,000)
	2Q2016	2Q2016
	US\$	US\$
PT Asuransi Sinar Mas	Nil	2,733,855
PT Bank Sinarmas Tbk *	Nil	1,613,913
PT Cakrawala Mega Indah	Nil	1,754,660
PT Rolimex Kimia Nusamas	Nil	18,515,952
PT Sinar Jati Mitra	Nil	2,627,063
<b>Total</b>	<b>Nil</b>	<b>27,245,443</b>

Note:

\* Principal amount as at 30 June 2016 is approximately US\$1.7 million.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

Not applicable.

**15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Not applicable.

**16. A breakdown of sales**

Not applicable.

**17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

Not applicable.

**18. Confirmation pursuant to the Rule 705(5) of the listing manual**

We, Franky Oesman Widjaja and Rafael Buhay Concepcion, Jr., being two directors of Golden Agri-Resources Ltd (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to their attention which would render the second quarter and half year ended 30 June 2016 unaudited financial results to be false or misleading.

On behalf of the board of directors

Franky Oesman Widjaja  
Director

Rafael Buhay Concepcion, Jr.  
Director

12 August 2016

**19. Confirmation pursuant to the Rule 720(1) of the listing manual**

The Company confirms that it has procured undertakings from all its directors and executive officers in the form set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

**BY ORDER OF THE BOARD**

Rafael Buhay Concepcion, Jr.  
Director  
12 August 2016

Submitted by Kimberley Lye Chor Mei, Director, Corporate Secretarial on 12 August 2016 to the SGX