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GOLDEN AGRI-RESOURCES LTD
Interim Performance Presentation
Half year ended 30 June 2020

14 August 2020

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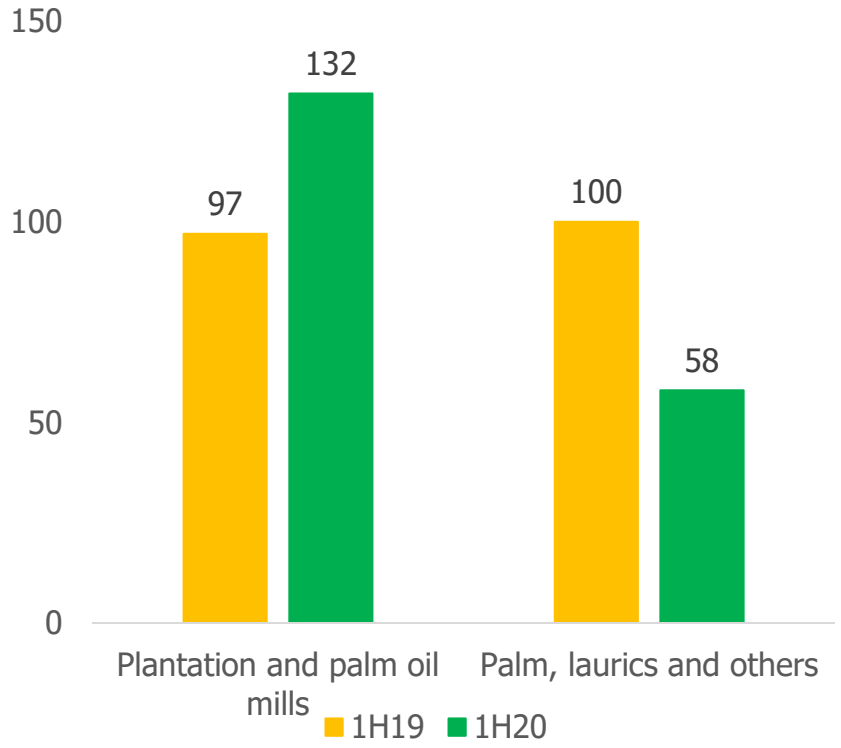
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Executive Summary

A gradual recovery from supply chain disruption results in better second quarter performance

EBITDA (US$ million)



1H 2020 vs 1H 2019

Revenue	US$3,391 mn	↑	7%
EBITDA	US$189 mn	↓	4%
Underlying loss[1]	US$11 mn	↓	26%
Palm product output	1.22 mn MT	↓	6%
CPO FOB price	US$616/MT	↑	24%

2Q 2020 vs 1Q 2020

Revenue	US$1,734 mn	↑	5%
EBITDA	US$105 mn	↑	24%
Underlying profit[1]	US$14 mn	↑	n.m
Palm product output	604,000 MT	↓	2%
CPO FOB price	US$556/MT	↓	17%

Note:
1. Net loss attributable to owners of the Company, excluding net effect of net gain/loss from changes in fair value of biological assets, depreciation of bearer plants, exceptional items, foreign exchange gain/loss, and deferred tax income/expense

Financial Highlights

Financial Performance

US$ million	1H 2020	1H 2019	YoY	2Q 2020	1Q 2020	QoQ
Revenue	3,391	3,167	7%	1,734	1,657	5%
Gross Profit	389	345	13%	190	198	-4%
EBITDA[1]	189	198	-4%	105	84	24%
Underlying Profit/(Loss)[2]	-11	-15	-26%	14	-25	n.m
Net gain/(loss) from changes in fair value of biological assets[3]	*-4*	*-2*	*90%*	*5*	*-9*	*n.m*
Depreciation of bearer plants[3]	*-59*	*-47*	*25%*	*-31*	*-28*	*13%*
Foreign exchange gain/(loss)[3]	*-45*	*3*	*n.m*	*-15*	*-30*	*-48%*
Deferred tax income/(expense)[3]	*-31*	*3*	*n.m*	*-28*	*-4*	*688%*
Exceptional items[3]	*-5*	*11*	*n.m*	*-5*	*-*	*n.m*
Net loss attributable to owners of the Company	-157	-46	238%	-61	-95	-36%

- Better second quarter results with gradual recovery from supply chain disruption
- Strong upstream business mitigated downstream business challenges
- First half 2020 performance affected by reinstatement of CPO export levy
- Higher net loss impacted by foreign exchange loss and deferred tax expense, which are mainly non cash

Notes:
1. 1H 2020 EBITDA includes net fair value loss on financial assets in accordance with IFRS 9 of US$14 million
2. Net loss attributable to owners of the Company, excluding net effect of net gain/loss from changes in fair value of biological assets, depreciation of bearer plants, exceptional items, foreign exchange gain/loss, and deferred tax income/expense
3. Net of tax and/or non-controlling interests

Financial Position

US$ million	30-Jun-20	31-Dec-19	Change
Total Assets	8,482	8,779	-3%
Cash and short-term investments	*832*	*784*	*6%*
Fixed assets[1]	*3,636*	*3,720*	*-2%*
Total Liabilities	4,248	4,274	-1%
Net Debt[2]	1,608	1,573	2%
Interest bearing debt	*3,157*	*3,144*	*0.4%*
Cash, short-term investments and liquid working capital[3]	*1,549*	*1,571*	*-1%*
Total Equity	4,234	4,505	-6%
Net Debt[2]/Total Equity	0.38x	0.35x	
Net Debt[2]/Total Assets	0.19x	0.18x	
Net Debt[2]/EBITDA[4]	2.34x	2.26x	
EBITDA/Interest[4]	4.52x	4.23x	

Notes:

1. Includes Property, Plant and Equipment, Bearer Plants, Right-of-use Assets and Investment Properties
2. Interest bearing debt less cash, short-term investments and liquid working capital
3. Liquid working capital is trade receivables, inventories (excluding consumables), deposits and advances to suppliers less trade payables and advances from customers
4. Calculated based on the last four quarters figures

Segmental Performance

Strong improvement in performance supported by the rebound in CPO market prices

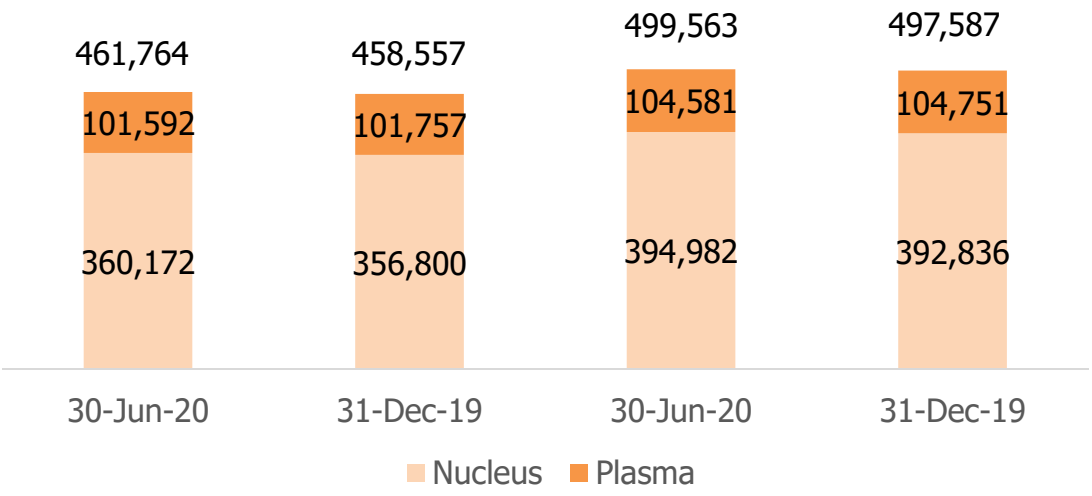
	1H 2020	1H 2019	YoY
Revenue (US$ million)	625	574	9%
EBITDA (US$ million)	132	97	36%
EBITDA margin	*21%*	*17%*	*4%*
CPO FOB Price (US$/MT)	616	496	24%
FFB Production ('000 tonnes)	4,084	4,455	-8%
Nucleus	3,215	3,444	-7%
Plasma	869	1,011	-14%
FFB Yield (tonnes/ha)	8.8	9.4	-6%
Palm Product Output ('000 tonnes)	1,219	1,293	-6%
CPO	973	1,026	-5%
PK	246	267	-8%
Oil Extraction Rate	21.6%	21.3%	0.3%
Kernel Extraction Rate	5.5%	5.6%	-0.1%
Palm Product Yield (tonnes/ha)	2.4	2.5	-5%

Lower plantation output due to dry weather conditions last year and the replanting programme

Note: 1H 2020 EBITDA includes allocated net fair value loss on financial assets (IFRS 9) of US$3 million

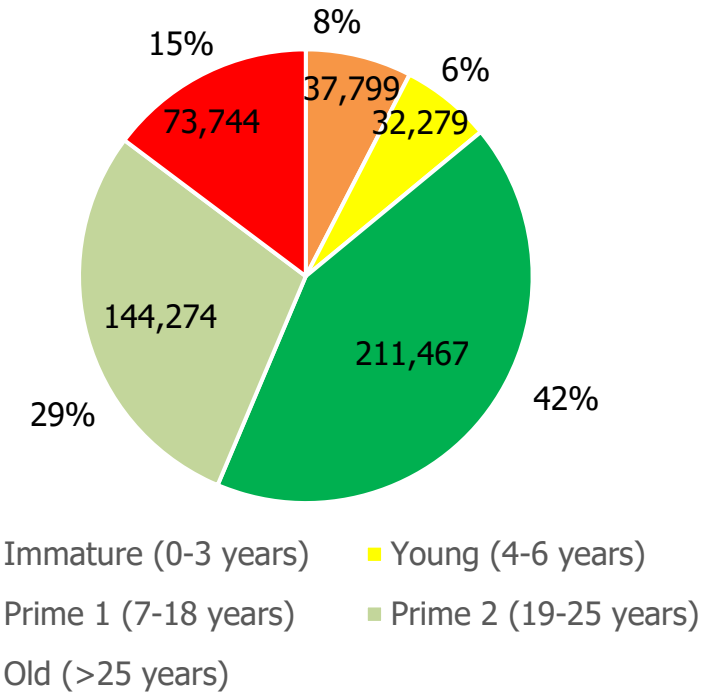
Continued long-term productivity growth through replanting and technological innovation

Mature Area - ha



Planted Area - ha

Age Profile as of 30 Jun 2020



- Immature and younger estates use newer-generation higher-yielding seeds for continued long-term production growth
- Accelerated replanting to around 9,900 ha in 1H 2020

Notes:
1. Total planted area including plasma
2. Average age of plantations, including plasma, is 17 years

Earnings were impacted by the COVID-19 outbreak with gradual improvement in the second quarter of 2020

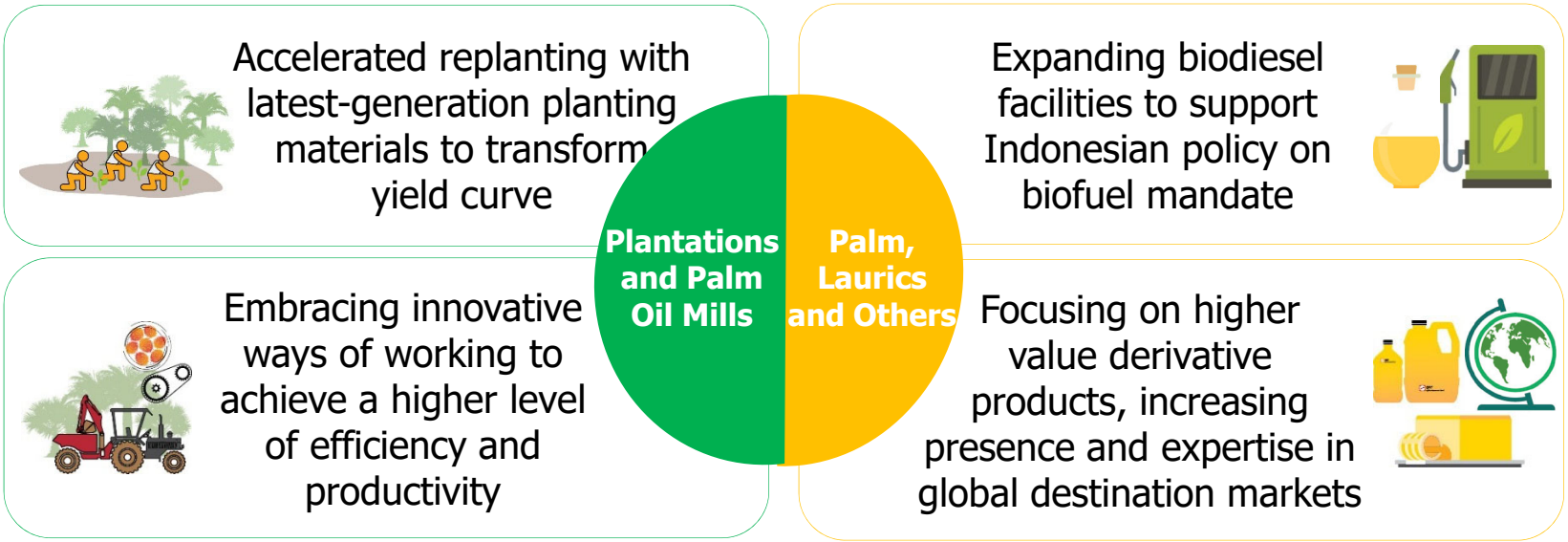
	1H 2020	1H 2019	YoY
Revenue (US$ million)	3,382	3,151	7%
Sales Volume ('000 tonnes)	4,971	5,370	-7%
EBITDA (US$ million)	58	100	-42%
EBITDA margin	*1.7%*	*3.2%*	*-1.5%*

- Sales volume affected by logistics issues following COVID-19 lockdown with gradual improvement in the second quarter 2020
- This also resulted in a sudden significant CPO price decline in February, further impacting our earnings
- Indonesia biodiesel is still the major catalyst to the industry with realisation of B30 programme

Notes:
1. This segment refers to processing and merchandising of palm and oilseed based products i.e. bulk, branded, oleo-chemicals and other vegetable oils, as well as production and distribution of other consumer products mainly food and beverages
2. 1H 2020 EBITDA includes allocated net fair value loss on financial assets in accordance with IFRS 9 of US$11 million

Strategy and Outlook

GAR aims to be at the forefront of the evolving technological trend by intensifying strategic efforts to transform its business and build new competitive edge

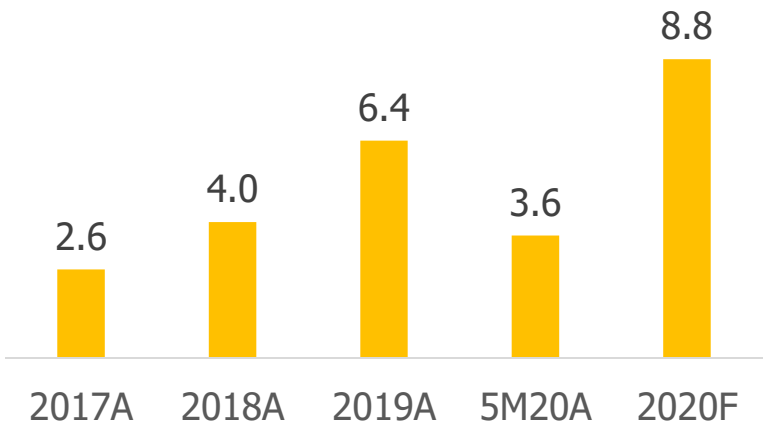


- GAR remains confident in the robust long-term supply and demand fundamentals for palm oil supported by its high versatility (including biodiesel) and lowest cost of production
- The impact from the COVID-19 pandemic is expected to be short term depending on the severity and length of the outbreak

Indonesia growing biodiesel mixture mandate is a major catalyst to the industry

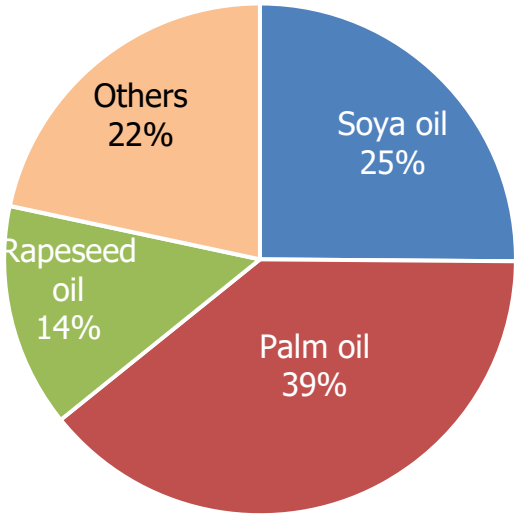
- Global feedstock for biodiesel is estimated to decrease by an estimated 3% in 2020 to 42.9 million MT from 45.7 million in 2019
- However, palm oil usage for feedstock continues to expand with a market share of almost 40% in 2020 from 31% in 2016

Indonesia Biodiesel Consumption
in million kltr



Source: Oil World, Ministry of Energy and Mineral Resources, and Aprobi

Feedstock Use for Biodiesel in 2020F



- Indonesian B30 mandate for 2020 was allocated at 9.6mn kltr. However, the realisation is expected to be at around 8.8mn kltr due to lower consumption
- The increase of export levy to sustain biodiesel subsidy shows the Indonesian government's commitment towards its biodiesel mandate policy

Managing COVID-19

- Employee and community safety are top priority
- Complying with all government regulations wherever we operate
- Palm oil sector is strategic sector - all our facilities continue to operate
- Helping to protect employees and community e.g. mask-making project
- Supporting 40 Alternative Livelihood programmes to help boost and maintain community resilience



On track to achieve 100% TTP for palm supply chain at end 2020

- Full TTP for nearly 84% of palm supply chain
- 273 3rd-party mills reported full TTP
- COVID-19 may affect timetable for TTP this year
- Engaging with suppliers remotely and encouraging self-assessment



Managing Fire and Haze

- Launched the Rumbun and Jungle Friends storybook to educate children about dangers of forest fires
- Part of long-term efforts to stem forest fires and haze
- No reduction in commitment despite COVID-19

Appendix

Immature and younger estates use newer-generation higher-yielding planting materials that will further boost production growth in the future

hectares	Immature (0-3 years)	Young (4-6 years)	Prime 1 (7-18 years)	Prime 2 (19-25 years)	Old (>25 years)	Total
30 June 2020						
Nucleus	34,810	31,236	186,712	98,386	43,839	394,982
Plasma	2,989	1,043	24,755	45,889	29,905	104,581
Total Area	37,799	32,279	211,467	144,274	73,744	499,563
% of total planted area	8%	6%	42%	29%	15%	100%
31 December 2019						
Nucleus	36,036	29,130	181,134	108,266	38,270	392,836
Plasma	2,994	2,059	24,527	54,005	21,166	104,751
Total Area	39,030	31,189	205,661	162,271	59,436	498,587
% of total planted area	8%	6%	41%	33%	12%	100%

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