

GOLDEN AGRI-RESOURCES LTD
Half Year Financial Statement And Dividend Announcement
FINANCIAL HIGHLIGHTS

	1st Half 2024 <u>US\$'000</u>	1st Half 2023 <u>US\$'000</u>	Change %
Revenue	5,141,882	4,876,436	5.4
Gross Profit	919,987	882,280	4.3
EBITDA ¹	494,606	477,570	3.6
Underlying profit ²	188,711	219,531	(14.0)
Net profit attributable to owners of the Company	102,431	182,336	(43.8)

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 (loss)/gain.
- (2) Net profit attributable to owners of the Company excluding net effect of net gain or loss from changes in fair value of biological assets and depreciation of bearer plants and other non-operating items (foreign exchange gain or loss, net tax impact from tax-based asset revaluations, and other deferred tax income or expense).

A Condensed interim consolidated income statement and consolidated statement of comprehensive income

UNAUDITED CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 30 JUNE 2024

	Note	1st Half 2024 US\$'000	1st Half 2023 US\$'000	Change %
Revenue	E4	5,141,882	4,876,436	5.4
Cost of sales		<u>(4,221,895)</u>	<u>(3,994,156)</u>	5.7
Gross Profit		<u>919,987</u>	<u>882,280</u>	4.3
Operating expenses				
Selling expenses		(501,718)	(497,015)	0.9
General and administrative expenses		<u>(184,105)</u>	<u>(184,877)</u>	(0.4)
Total operating expenses		<u>(685,823)</u>	<u>(681,892)</u>	0.6
Operating profit		<u>234,164</u>	<u>200,388</u>	16.9
Other income/(expenses)				
Financial income		36,148	32,665	10.7
Financial expenses		(122,102)	(102,953)	18.6
Share of results of associated companies, net of tax		3,710	2,004	85.1
Share of results of joint ventures, net of tax		6,940	12,524	(44.6)
Foreign exchange (loss)/gain		(48,274)	16,898	n.m.
Other income		<u>46,029</u>	<u>44,843</u>	2.6
		<u>(77,549)</u>	<u>5,981</u>	n.m.
Profit before tax	E5	156,615	206,369	(24.1)
Income tax	E6	<u>(35,381)</u>	<u>(23,369)</u>	51.4
Profit for the period		<u>121,234</u>	<u>183,000</u>	(33.8)
Attributable to:				
Owners of the Company		102,431	182,336	(43.8)
Non-controlling interests		<u>18,803</u>	<u>664</u>	n.m.
		<u>121,234</u>	<u>183,000</u>	(33.8)

Note: n.m. – not meaningful.

A Condensed interim consolidated income statement and consolidated statement of comprehensive income (cont'd)

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

	1st Half 2024 <u>US\$'000</u>	1st Half 2023 <u>US\$'000</u>
Profit for the period	121,234	183,000
Other comprehensive income/(loss):		
<u>Items that will not be reclassified subsequently to profit or loss:</u>		
Actuarial loss on post-employment benefits	(249)	(4,588)
Share of other comprehensive income of a joint venture	41	-
Changes in fair value of financial assets at fair value through other comprehensive income	(12,115)	12,465
<u>Items that may be reclassified subsequently to profit or loss:</u>		
Foreign currency translation differences on consolidation	(12,828)	(8,880)
Share of other comprehensive (loss)/income of:		
Joint ventures	(3,570)	1,698
Associated companies	(1,468)	699
Other comprehensive (loss)/income, net of tax	<u>(30,189)</u>	<u>1,394</u>
Total comprehensive income for the period, net of tax	<u>91,045</u>	<u>184,394</u>
Total comprehensive income attributable to:		
Owners of the Company	73,026	183,188
Non-controlling interests	18,019	1,206
	<u>91,045</u>	<u>184,394</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 (loss)/gain ("EBITDA")

	1st Half 2024 <u>US\$'000</u>	1st Half 2023 <u>US\$'000</u>	Change %
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 (loss)/gain ("EBITDA")	494,606	477,570	3.6
Interest on borrowings	(120,800)	(101,441)	19.1
Depreciation and amortisation	(177,841)	(193,081)	(7.9)
Net gain from changes in fair value of biological assets	8,924	6,423	38.9
Foreign exchange (loss)/gain	(48,274)	16,898	n.m.
Profit before tax	<u>156,615</u>	<u>206,369</u>	(24.1)

Note: n.m. – not meaningful.

B Condensed interim statements of financial position

UNAUDITED STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		As at	As at	As at	As at
		30/6/2024	31/12/2023	30/6/2024	31/12/2023
		US\$'000	US\$'000	US\$'000	US\$'000
Assets					
Current Assets					
Cash and cash equivalents	E9	413,496	544,570	279	424
Short-term investments	E10	597,887	590,653	-	-
Trade receivables		787,569	653,807	-	-
Other current assets	E11	626,630	557,655	6,231	5,714
Biological assets		78,578	69,654	-	-
Inventories		1,469,888	1,500,432	-	-
		<u>3,974,048</u>	<u>3,916,771</u>	<u>6,510</u>	<u>6,138</u>
Non-Current Assets					
Long-term receivables and assets	E12	41,311	40,612	-	-
Long-term investments	E13	1,452,386	1,250,018	278,499	63,499
Subsidiary companies		-	-	3,425,483	3,425,483
Associated companies		28,702	26,461	-	-
Joint ventures		239,472	244,490	-	-
Investment properties		79	83	-	-
Property, plant and equipment		2,512,909	2,510,575	-	-
Bearer plants		1,289,757	1,306,228	-	-
Tax recoverable		139,568	159,053	-	-
Deferred tax assets		96,512	99,447	-	-
Intangible assets		159,019	162,750	-	-
		<u>5,959,715</u>	<u>5,799,717</u>	<u>3,703,982</u>	<u>3,488,982</u>
Total Assets		<u>9,933,763</u>	<u>9,716,488</u>	<u>3,710,492</u>	<u>3,495,120</u>

B Condensed interim statements of financial position (cont'd)

UNAUDITED STATEMENTS OF FINANCIAL POSITION (cont'd)

	Note	Group		Company	
		As at 30/6/2024 US\$'000	As at 31/12/2023 US\$'000	As at 30/6/2024 US\$'000	As at 31/12/2023 US\$'000
Liabilities and Equity					
Current Liabilities					
Short-term borrowings	E15	1,218,390	1,519,530	-	-
Bonds and notes payable	E15	112,955	132,503	-	-
Lease liabilities	E15	20,513	17,879	-	-
Trade and trust receipts payables		518,490	510,604	-	-
Other payables	E14	598,163	498,732	3,093	3,331
Taxes payable		21,704	78,705	-	-
		<u>2,490,215</u>	<u>2,757,953</u>	<u>3,093</u>	<u>3,331</u>
Non-Current Liabilities					
Long-term borrowings	E15	1,500,518	1,012,577	-	-
Bonds and notes payables	E15	277,768	341,750	-	-
Lease liabilities	E15	55,055	40,391	-	-
Deferred tax liabilities		158,677	164,472	-	-
Long-term payables and liabilities	E16	239,213	219,441	290,543	18,358
		<u>2,231,231</u>	<u>1,778,631</u>	<u>290,543</u>	<u>18,358</u>
Total Liabilities		<u>4,721,446</u>	<u>4,536,584</u>	<u>293,636</u>	<u>21,689</u>
Equity Attributable to Owners of the Company					
Issued capital	E17	320,939	320,939	320,939	320,939
Share premium		1,216,095	1,216,095	1,850,965	1,850,965
Treasury shares	E17	(39,825)	(39,825)	(39,825)	(39,825)
Other paid-in capital		184,318	184,318	-	-
Other reserves					
Option reserve		31,471	31,471	31,471	31,471
Currency translation reserve		(80,630)	(63,544)	-	-
Fair value reserve		(313,026)	(300,911)	(359,896)	(359,896)
PRC statutory reserve		6,306	6,289	-	-
Others		41,163	41,367	-	-
		<u>(314,716)</u>	<u>(285,328)</u>	<u>(328,425)</u>	<u>(328,425)</u>
Retained earnings		<u>3,575,279</u>	<u>3,530,202</u>	<u>1,613,202</u>	<u>1,669,777</u>
		<u>4,942,090</u>	<u>4,926,401</u>	<u>3,416,856</u>	<u>3,473,431</u>
Non-Controlling Interests		<u>270,227</u>	<u>253,503</u>	<u>-</u>	<u>-</u>
Total Equity		<u>5,212,317</u>	<u>5,179,904</u>	<u>3,416,856</u>	<u>3,473,431</u>
Total Liabilities and Equity		<u>9,933,763</u>	<u>9,716,488</u>	<u>3,710,492</u>	<u>3,495,120</u>

C Condensed interim statements of changes in equity

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2024

Group	←----- 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			
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000			
Balance at 1 Jan 2024	320,939	1,216,095	(39,825)	184,318	(285,328)	3,530,202	4,926,401	253,503	5,179,904
Profit for the period	-	-	-	-	-	102,431	102,431	18,803	121,234
Other comprehensive loss	-	-	-	-	(29,388)	(17)	(29,405)	(784)	(30,189)
Total comprehensive (loss)/income for the period	-	-	-	-	(29,388)	102,414	73,026	18,019	91,045
Dividends paid (Note E18)	-	-	-	-	-	(57,337)	(57,337)	-	(57,337)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	(1,295)	(1,295)
Balance at 30 Jun 2024	320,939	1,216,095	(39,825)	184,318	(314,716)	3,575,279	4,942,090	270,227	5,212,317
Balance at 1 Jan 2023	320,939	1,216,095	(39,825)	184,318	(108,611)	3,428,545	5,001,461	252,888	5,254,349
Profit for the period	-	-	-	-	-	182,336	182,336	664	183,000
Other comprehensive income/(loss)	-	-	-	-	874	(22)	852	542	1,394
Total comprehensive income for the period	-	-	-	-	874	182,314	183,188	1,206	184,394
Dividends paid (Note E18)	-	-	-	-	-	(93,996)	(93,996)	-	(93,996)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	(5,414)	(5,414)
Balance at 30 Jun 2023	320,939	1,216,095	(39,825)	184,318	(107,737)	3,516,863	5,090,653	248,680	5,339,333

C Condensed interim statements of changes in equity (cont'd)

**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)
FOR THE PERIOD ENDED 30 JUNE 2024**

<u>Company</u>	Issued Capital	Share Premium	Treasury Shares	Other Reserves	Retained Earnings	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 1 Jan 2024	320,939	1,850,965	(39,825)	(328,425)	1,669,777	3,473,431
Profit for the period, representing total comprehensive income for the period	-	-	-	-	762	762
Dividends paid (Note E18)	-	-	-	-	(57,337)	(57,337)
Balance at 30 Jun 2024	<u>320,939</u>	<u>1,850,965</u>	<u>(39,825)</u>	<u>(328,425)</u>	<u>1,613,202</u>	<u>3,416,856</u>
Balance at 1 Jan 2023	320,939	1,850,965	(39,825)	(226,075)	970,627	2,876,631
Loss for the period, representing total comprehensive loss for the period	-	-	-	-	(135)	(135)
Dividends paid (Note E18)	-	-	-	-	(93,996)	(93,996)
Balance at 30 Jun 2023	<u>320,939</u>	<u>1,850,965</u>	<u>(39,825)</u>	<u>(226,075)</u>	<u>876,496</u>	<u>2,782,500</u>

D Condensed interim consolidated statements of cash flows

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

	1st Half 2024 <u>US\$'000</u>	1st Half 2023 <u>US\$'000</u>
Cash flows from operating activities		
Profit before tax	156,615	206,369
Adjustments for:		
Depreciation	173,801	189,626
Amortisation	4,040	3,455
Net gain from changes in fair value of biological assets	(8,924)	(6,423)
Unrealised foreign exchange loss/(gain)	37,839	(17,522)
Share of results of associated companies, net of tax	(3,710)	(2,004)
Share of results of joint ventures, net of tax	(6,940)	(12,524)
Gain on disposal of property, plant and equipment	(173)	(891)
Bearer plants and property, plant and equipment written off	530	501
Write-back of impairment loss on inventories, net	(4,194)	(7,348)
(Write-back of)/Provision for expected credit loss on:		
Trade receivables, net	(451)	23
Non-trade receivables, net	-	(1,338)
Gain on disposal of a joint venture (Note E21)	(32,030)	-
Changes in fair value of financial assets at fair value through profit or loss	2,765	3,662
Interest income	(36,148)	(32,665)
Interest expense	120,800	101,441
Operating cash flow before working capital changes	403,820	424,362
Changes in operating assets and liabilities:		
Trade receivables	(133,300)	135,314
Other current assets	(67,063)	(33,936)
Inventories	34,777	143,271
Trade and trust receipts payables	7,886	(129,401)
Other payables	44,984	40,701
Cash generated from operations	291,104	580,311
Interest received	41,489	21,840
Interest paid	(121,678)	(90,263)
Tax paid	(117,845)	(249,072)
Net cash generated from operating activities	93,070	262,816
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	1,067	1,416
Proceeds from disposal of bearer plants	310	561
Capital expenditure on property, plant and equipment	(104,374)	(105,267)
Capital expenditure on bearer plants	(28,044)	(28,198)
Payments for investments in financial assets, net	(224,547)	(235,725)
Proceeds from Plasma/KKPA program plantations, net	455	2,252
Investment in an associated company	-	(310)
Cash outflow from acquisition of a subsidiary	-	(72)
Proceeds from disposal of a joint venture (Note E21)	60,146	-
Return of capital from a joint venture	-	20,000
Dividend received from joint ventures	2,252	2,000
Payments for deferred expenditure and intangible assets	(833)	(789)
Net increase in long-term receivables and assets	(13,147)	(6,192)
Net cash used in investing activities	(306,715)	(350,324)

D Condensed interim consolidated statements of cash flows (cont'd)**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)
FOR THE PERIOD ENDED 30 JUNE 2024**

	1st Half 2024 <u>US\$'000</u>	1st Half 2023 <u>US\$'000</u>
Cash flows from financing activities		
Proceeds from short-term borrowings	1,784,738	2,016,317
Proceeds from long-term borrowings	746,394	645,891
Payments of short-term borrowings	(1,962,607)	(2,050,050)
Payments of long-term borrowings	(344,617)	(513,234)
Payments of principal element of leases	(9,982)	(7,311)
Payments of bonds payable	(61,654)	(46,344)
Payments of dividends	(58,632)	(99,410)
Payments of deferred loan charges and bank loan administration costs	(3,278)	(2,510)
Decrease/(Increase) in cash in banks and time deposits pledged	66,232	(6,496)
Net cash generated from/(used in) financing activities	<u>156,594</u>	<u>(63,147)</u>
Net decrease in cash and cash equivalents	(57,051)	(150,655)
Cash and cash equivalents at the beginning of the period	317,633	539,765
Effect of exchange rate changes on cash and cash equivalents	(7,791)	10,227
Cash and cash equivalents at the end of the period (Note E9)	<u>252,791</u>	<u>399,337</u>

E Notes to the condensed interim consolidated financial statements

1 Corporate information

Golden Agri-Resources Ltd (the “Company” or “GAR”) is a public limited company incorporated in Mauritius. The registered office is c/o IQ EQ Corporate Services (Mauritius) Ltd, 33 Edith Cavell Street, Port Louis, 11324, Mauritius.

The Company is principally engaged as an investment holding company. The principal activities of the subsidiaries, associated companies and joint ventures are described in Note 47 to the consolidated financial statements for the financial statements for the year ended 31 December 2023. These condensed interim consolidated financial statements as at and for half year ended 30 June 2024 comprise the condensed financial statements of the Company and its subsidiaries (the “Group”).

2 Basis of preparation

The condensed interim consolidated financial statements of the Group for half year ended 30 June 2024, have been prepared in accordance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*.

The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual financial statements for the year ended 31 December 2023.

The condensed interim consolidated financial statements are presented in United States dollar, which is the Company’s functional currency and presentation currency. All financial information presented in United States dollars have been rounded to the nearest thousand, unless otherwise stated.

2.1 New and revised International Financial Reporting Standards (“IFRSs”)

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with the IFRSs, except for the adoption of new and revised IFRSs effective for annual periods beginning on 1 January 2024. The adoption of the new and revised IFRSs has had no material financial impact on the condensed interim financial statements of the Group. The Group has not early adopted any new and revised IFRSs that have been issued but are not yet effective.

2.2 Use of judgement and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of the Group’s accounting policies and the reported amounts of assets, liabilities, income and expenses. Although these estimates are based on management’s best knowledge of current events and actions, actual results may actually differ from these estimates. The significant judgements made in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Financial impact arising from revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3 Seasonal operations

The production of fresh fruit bunch (“FFB”) in oil palm plantations is subject to seasonal fluctuations as a result of weather conditions and rainfall patterns.

E Notes to the condensed interim consolidated financial statements (cont'd)

4 Segment and revenue information

	1st Half 2024	1st Half 2023
	<u>US\$'000</u>	<u>US\$'000</u>
Sales in Indonesia		
Third parties	912,929	889,041
Associated companies	14,646	7,220
Joint ventures	88,464	81,604
Related parties	2,650	3,747
	<u>1,018,689</u>	<u>981,612</u>
Sales outside Indonesia		
Third parties	4,123,158	3,894,776
Related parties	35	48
	<u>4,123,193</u>	<u>3,894,824</u>
	<u>5,141,882</u>	<u>4,876,436</u>

<u>1st Half 2024</u>	<u>Plantations and palm oil mills US\$'000</u>	<u>Palm, laurics and others US\$'000</u>	<u>Eliminations US\$'000</u>	<u>Total US\$'000</u>
Revenue from external customers	48,484	5,093,398	-	5,141,882
Inter-segment sales	859,348	-	(859,348)	-
Total revenue	<u>907,832</u>	<u>5,093,398</u>	<u>(859,348)</u>	<u>5,141,882</u>
EBITDA	<u>212,633</u>	<u>281,771</u>	<u>202</u>	<u>494,606</u>
<u>Other information</u>				
Capital expenditure	89,309	42,016	-	131,325
Unallocated capital expenditure				1,093
Total capital expenditure				<u>132,418</u>
Depreciation and amortisation	(121,333)	(56,508)	-	(177,841)
Write-back of expected credit loss on trade and other receivables	-	451	-	451
Gain on disposal of a joint venture	-	32,030	-	32,030
Net gain from changes in fair value of biological assets	8,924	-	-	8,924
Loss from changes in fair value of financial assets at fair value through profit or loss	(465)	(2,300)	-	(2,765)
Interest on borrowings	(57,256)	(63,544)	-	(120,800)
Share of profit of:				
Associated companies	31	3,679	-	3,710
Joint ventures	-	6,940	-	6,940
<u>Assets</u>				
Segment assets	4,022,896	4,978,643	(795,228)	8,206,311
Investment in:				
Associated companies	2,795	25,907	-	28,702
Joint ventures	-	239,472	-	239,472
Unallocated assets				1,459,278
Total assets				<u>9,933,763</u>
<u>Liabilities</u>				
Segment liabilities	(936,261)	(3,280,868)	837,151	(3,379,978)
Unallocated liabilities				(1,341,468)
Total liabilities				<u>(4,721,446)</u>

E Notes to the condensed interim consolidated financial statements (cont'd)

4 Segment and revenue information (cont'd)

<u>1st Half 2023</u>	<u>Plantations and palm oil mills</u> <u>US\$'000</u>	<u>Palm, laurics and others</u> <u>US\$'000</u>	<u>Eliminations</u> <u>US\$'000</u>	<u>Total</u> <u>US\$'000</u>
Revenue from external customers	42,420	4,834,016	-	4,876,436
Inter-segment sales	874,227	-	(874,227)	-
Total revenue	<u>916,647</u>	<u>4,834,016</u>	<u>(874,227)</u>	<u>4,876,436</u>
 EBITDA	 <u>218,745</u>	 <u>258,454</u>	 <u>371</u>	 <u>477,570</u>
 <u>Other information</u>				
Capital expenditure	99,230	33,402	-	132,632
Unallocated capital expenditure				833
Total capital expenditure				<u>133,465</u>
 Depreciation and amortisation	 (125,645)	 (67,436)	 -	 (193,081)
Write-back of expected credit loss on trade and other receivables	-	1,315	-	1,315
Net gain from changes in fair value of biological assets	6,423	-	-	6,423
Loss from changes in fair value of financial assets at fair value through profit or loss	(704)	(2,958)	-	(3,662)
Interest on borrowings	(47,450)	(53,991)	-	(101,441)
Share of (loss)/profit of:				
Associated companies	(51)	2,055	-	2,004
Joint ventures	-	12,524	-	12,524

The following is an analysis of revenue and based on geographical location of customers:

	1st Half 2024 <u>US\$'000</u>	1st Half 2023 <u>US\$'000</u>
China	431,272	541,982
Indonesia	1,018,689	981,612
India	789,800	686,369
Rest of Asia	1,407,949	1,187,865
Europe	744,476	814,100
Others	749,696	664,508
Consolidated revenue	<u>5,141,882</u>	<u>4,876,436</u>

The following is an analysis of the carrying amount of non-current non-financial assets, analysed by the geographical areas in which the assets are located:

	30/6/2024 <u>US\$'000</u>	31/12/2023 <u>US\$'000</u>
Indonesia	3,880,330	3,901,725
China	69,798	72,917
Singapore	154,901	168,850
India	84,804	84,631
Others	80,668	60,822
Total non-current non-financial assets	<u>4,270,501</u>	<u>4,288,945</u>

E Notes to the condensed interim consolidated financial statements (cont'd)

5 Profit before tax

Significant items not disclosed elsewhere in condensed interim consolidated financial statements:

	1st Half 2024 <u>US\$'000</u>	1st Half 2023 <u>US\$'000</u>
Depreciation of property, plant and equipment	(122,552)	(132,084)
Depreciation of bearer plants	(51,246)	(57,539)
Depreciation of investment properties	(3)	(3)
Gain on disposal of property, plant and equipment	173	891
Gain on disposal of a joint venture	32,030	-
Bearer plants and property, plant and equipment written off	(530)	(501)
Write-back of impairment loss on inventories*	4,194	7,348
Investment income	752	23,583
Loss on changes in fair value of financial assets at FVTPL	<u>(2,765)</u>	<u>(3,662)</u>

* Write-back of impairment loss was made as a result of an increase in net realisable value of certain inventories.

Related party transactions

	1st Half 2024 <u>US\$'000</u>	1st Half 2023 <u>US\$'000</u>
(i) Sale of services		
Rental income from related parties	195	203
Rental income from joint ventures	55	57
(ii) Purchase of goods and services		
Insurance premium to a related party	3,313	3,213
Purchase of non-palm based products and services from related parties	45,843	92,733
Purchase of palm based products and services from joint ventures	18,243	18,815
Freight and related expenses to joint ventures	6,589	8,519
Rental and service charge expense to related parties	3,627	2,923
(iii) Dividend income from joint ventures	<u>2,252</u>	<u>2,000</u>

6 Income tax

	1st Half 2024 <u>US\$'000</u>	1st Half 2023 <u>US\$'000</u>
Current income tax	38,346	17,074
Deferred income tax	<u>(2,965)</u>	<u>6,295</u>
	<u>35,381</u>	<u>23,369</u>

E Notes to the condensed interim consolidated financial statements (cont'd)

7 Earnings per share

Earnings per ordinary share for the period:

(i) Based on weighted average number of ordinary shares

- Weighted average numbers of shares

(ii) On a fully diluted basis

- Weighted average numbers of shares

	1st Half 2024	1st Half 2023
	USD0.81cents	USD1.44cents
	12,681,673,056	12,681,673,056
	Not applicable	Not applicable
	Not applicable	Not applicable

8 Net asset value per share

Net asset value per ordinary share based on existing issued share capital of 12,681,673,056 shares

Group		Company	
As at 30/6/2024	As at 31/12/2023	As at 30/6/2024	As at 31/12/2023
US\$0.41	US\$0.41	US\$0.27	US\$0.27

9 Cash and cash equivalents

Time deposits, cash and bank balances

Less: Cash in banks and time deposits pledged

Cash and cash equivalents in the consolidated statement of cash flows

Group	
30/6/2024 US\$'000	31/12/2023 US\$'000
413,496	544,570
(160,705)	(226,937)
<u>252,791</u>	<u>317,633</u>

10 Short-term investments

Time deposits

Equity securities at FVOCI

Financial assets at FVTPL:

Equity securities held for trading

Debt securities held for trading

Group	
30/6/2024 US\$'000	31/12/2023 US\$'000
589,443	577,827
197	235
6,407	9,915
1,840	2,676
<u>8,247</u>	<u>12,591</u>
<u>597,887</u>	<u>590,653</u>

E Notes to the condensed interim consolidated financial statements (cont'd)

11 Other current assets

	Group		Company	
	30/6/2024 US\$'000	31/12/2023 US\$'000	30/6/2024 US\$'000	31/12/2023 US\$'000
Prepaid expenses	46,279	10,741	15	4
Prepaid taxes	163,783	136,062	-	-
Deposits and advances to suppliers	222,538	196,314	-	-
Derivative receivable	37,924	38,577	-	-
Others	150,531	150,335	48	33
	621,055	532,029	63	37
Receivable from joint ventures	836	22,341	-	-
Receivable from associated companies	4,710	3,257	-	-
Receivable from related parties	29	28	-	-
Receivable from subsidiaries	-	-	6,168	5,677
	626,630	557,655	6,231	5,714

12 Long-term receivables and assets

	Group		Company	
	30/6/2024 US\$'000	31/12/2023 US\$'000	30/6/2024 US\$'000	31/12/2023 US\$'000
Loans receivable from associated companies	748	2,254	-	-
Advances for plasma plantations, net	-	3,894	-	-
Advances for projects	16,886	10,672	-	-
Land clearing	7,633	7,725	-	-
Advances for investment in land	1,495	1,495	-	-
Others	14,549	14,572	-	-
	41,311	40,612	-	-

13 Long-term investments

	Group		Company	
	30/6/2024 US\$'000	31/12/2023 US\$'000	30/6/2024 US\$'000	31/12/2023 US\$'000
Equity securities at FVOCI	1,020,368	820,020	278,499	63,499
Financial assets at FVTPL:				
Equity/Fund securities	227,393	225,998	-	-
Convertible debt securities	204,625	204,000	-	-
	1,452,386	1,250,018	278,499	63,499

14 Other payables

	Group		Company	
	30/6/2024 US\$'000	31/12/2023 US\$'000	30/6/2024 US\$'000	31/12/2023 US\$'000
Advances and deposits	114,004	90,123	-	-
Accrued expenses	173,733	143,147	130	356
Payable to third parties	90,096	91,627	-	-
Derivative payable	74,357	20,628	-	-
Put option liability	79,395	79,395	-	-
Others	65,447	71,097	6	6
	597,032	496,017	136	362
Payable to related parties	1,131	2,715	2,957	2,969
	598,163	498,732	3,093	3,331

E Notes to the condensed interim consolidated financial statements (cont'd)

15 Borrowings

	Group	
	30/6/2024	31/12/2023
	<u>US\$'000</u>	<u>US\$'000</u>
Current liabilities		
Short-term borrowings	1,218,390	1,519,530
Bonds and notes payable	112,955	132,503
Lease liabilities	20,513	17,879
	<u>1,351,858</u>	<u>1,669,912</u>
Non-current liabilities		
Long-term borrowings	1,500,518	1,012,577
Bonds and notes payable	277,768	341,750
Lease liabilities	55,055	40,391
	<u>1,833,341</u>	<u>1,394,718</u>
	<u>3,185,199</u>	<u>3,064,630</u>

	30/6/2024			31/12/2023		
	<u>US\$'000</u>			<u>US\$'000</u>		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Amount repayable in one year or less	1,013,057	338,801	1,351,858	1,249,432	420,480	1,669,912
Amount repayable after one year	1,343,518	489,823	1,833,341	923,716	471,002	1,394,718
Total	<u>2,356,575</u>	<u>828,624</u>	<u>3,185,199</u>	<u>2,173,148</u>	<u>891,482</u>	<u>3,064,630</u>

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

16 Long-term payables and liabilities

	Group	
	30/6/2024	31/12/2023
	<u>US\$'000</u>	<u>US\$'000</u>
Post-employment benefits liability	76,374	73,945
Rental deposits	1,278	1,016
Advance received	159,600	144,480
Derivative payable	1,961	-
	<u>239,213</u>	<u>219,441</u>

The above advance relates to advances received from customers pursuant to agreements to supply crude palm oil to the customers over a period of more than 12 months after the end of the reporting period.

E Notes to the condensed interim consolidated financial statements (cont'd)

17 Issued capital and treasury shares

<u>Group and Company</u>	<u>No. of ordinary shares</u>		<u>Amount</u>	
	<u>Issued capital</u>	<u>Treasury shares</u>	<u>Issued capital</u>	<u>Treasury shares</u>
			<u>US\$'000</u>	<u>US\$'000</u>
Issued and fully paid:				
Balance at 31 December 2023 and 30 June 2024	<u>12,837,548,556</u>	<u>(155,875,500)</u>	<u>320,939</u>	<u>(39,825)</u>

There were no movements in the Company's issued capital since 30 June 2023.

18 Dividends paid

<u>Group and Company</u>	<u>1st Half 2024</u>	<u>1st Half 2023</u>
	<u>US\$'000</u>	<u>US\$'000</u>
Final dividend paid in respect of previous year of S\$0.00613 (1H2023: S\$0.00991) per share	<u>57,337</u>	<u>93,996</u>

19 Financial instruments

Fair Value of Financial Instruments

The carrying amounts of financial assets and liabilities with a maturity of less than one year, which include cash and cash equivalents, time deposits, short-term investments, trade and other receivables, trade and other payables and short-term interest-bearing borrowings are assumed to approximate their fair values due to their short-term maturities.

The fair values of long-term receivables and long-term interest-bearing borrowings are calculated based on discounted expected future principal and interest cash flows. The discount rates used are based on market rates for similar instruments at the end of the reporting period. As at 30 June 2024 and 31 December 2023, the carrying amounts of the long-term receivables and long-term interest-bearing borrowings approximate their fair values.

Fair Value Hierarchy

The following table presents financial assets and financial liabilities measured at fair value on a recurring basis and classified by level of the following fair value measurement hierarchy:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
<u>At 30 June 2024</u>				
Financial assets at FVOCI (Equity)	-	-	1,020,565	1,020,565
Financial assets at FVTPL held for trading	6,043	49,968	384,254	440,265
Derivative receivable	-	37,924	-	37,924
Derivative payable	-	(76,318)	-	(76,318)
	<u>6,043</u>	<u>11,574</u>	<u>1,404,819</u>	<u>1,422,436</u>
<u>At 31 December 2023</u>				
Financial assets at FVOCI (Equity)	-	-	820,255	820,255
Financial assets at FVTPL held for trading	5,103	52,662	384,824	442,589
Derivative receivable	-	38,577	-	38,577
Derivative payable	-	(20,628)	-	(20,628)
	<u>5,103</u>	<u>70,611</u>	<u>1,205,079</u>	<u>1,280,793</u>

E Notes to the condensed interim consolidated financial statements (cont'd)

19 Financial instruments (cont'd)

Methods and Assumptions Used to Determine Fair Values

The methods and assumptions used by management to determine fair values are as follows:

(i) Level 1 fair value measurements

The fair value of securities traded in active markets is based on quoted market prices at the reporting date.

(ii) Level 2 fair value measurements

Fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles as at the reporting date. The fair value of unquoted debt and equity securities and interest rate swap contracts is determined by reference to statements provided by external fund managers/financial institutions. For commodity futures contracts, observable prices are used as a measure of fair values for the outstanding contracts. For firm commitment contracts, the fair values are based on market prices and management's best estimate and are arrived at by reference to the market prices of another contract that is substantively similar and adjusted for premium or discount where relevant.

(iii) Level 3 fair value measurements

The fair values of financial assets classified under Level 3 of the fair value hierarchy were determined by reference to fund statements provided by external fund managers and valuation reports prepared by independent professional valuers. Valuation techniques included:

- Net present value method – Fair value was determined by reference to valuations performed using the net present value method on its underlying assets, adjusted for the external borrowings. Forecasts of future cash flows are based on historical results, growth rate using industry trends, discount rate based on capital fund structure, general market and economic conditions.
- Fund statements – Fair value was made with reference to the fund statements provided by external fund managers. The fund managers determined the fair value of its entire portfolio using multiple valuation techniques including price of recent transactions, Backsolve and option pricing model, Monte Carlo simulation, adjusted net assets value and discounted cash flow method of the investee companies.

During the current financial period, a net loss of US\$2.8 million (1H2023: US\$3.7 million) was recognised in the consolidated income statement due to changes in fair value. There were no transfers between Level 1, 2 and 3 during the current financial period. Movements in Level 3 financial assets measured at fair value are as follows:

	Financial assets at FVOCI US\$'000	Financial assets at FVTPL US\$'000
Balance at 1 January 2024	820,255	384,824
Changes in fair value recognised in other comprehensive income	(12,115)	-
Changes in fair value recognised in the income statement	-	(570)
Additions, net of redemption/return of capital	212,460	-
Translation adjustment	(35)	-
Balance at 30 June 2024	<u>1,020,565</u>	<u>384,254</u>

E Notes to the condensed interim consolidated financial statements (cont'd)

20 Significant capital expenditure commitments

At the end of the reporting period, the estimated significant expenditure committed but not provided for in the consolidated financial statements amounted to US\$118,350,000 (31.12.2023: US\$92,760,000).

21 Disposal of a joint venture during the current financial period

In February 2024, the Group through its wholly-owned subsidiary, disposed its entire 50% shareholding in Stena Bulk KFH Limited for a total consideration of US\$60,146,000. The Group recognised a gain on disposal of US\$32,030,000. Following the disposal, Stena Bulk KFH Limited ceased to be a joint venture of the Group.

F Other information required by Listing Rule Appendix 7.2

1 Review

The condensed interim consolidated statement of financial position of Golden Agri-Resources Ltd (the "Company") and its subsidiaries as at 30 June 2024 and the related condensed consolidated income statements and statement of other comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half year then ended and certain explanatory notes have not been audited or reviewed.

2 Review of performance of the Group

	1st Half 2024	1st Half 2023	Change
	<u>US\$'000</u>	<u>US\$'000</u>	<u>%</u>
Revenue by segment			
Plantations and palm oil mills	907,832	916,647	(1.0)
Palm, laurics and others	5,093,398	4,834,016	5.4
Inter-segment eliminations	<u>(859,348)</u>	<u>(874,227)</u>	(1.7)
Total Revenue	<u>5,141,882</u>	<u>4,876,436</u>	5.4
EBITDA by segment			
Plantations and palm oil mills	212,633	218,745	(2.8)
Palm, laurics and others	281,771	258,454	9.0
Inter-segment eliminations	<u>202</u>	<u>371</u>	(45.6)
Total EBITDA	<u>494,606</u>	<u>477,570</u>	3.6

Notes:

- (1) EBITDA refers to earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, net gain/(loss) from changes in fair value of biological assets and foreign exchange (loss)/gain.
- (2) Plantations and palm oil mills segment refers to products from upstream business.
- (3) Palm, laurics and others segment refers to the processing and global merchandising of palm and oilseed-based products comprising bulk and branded products, oleochemicals, sugar and other vegetable oils.

F Other information required by Listing Rule Appendix 7.2 (cont'd)

REVIEW OF PERFORMANCE FOR HALF YEAR ENDED 30 JUNE 2024

Revenue for the Group grew to US\$5,141.9 million for half year ended 30 June 2024 (“1H2024”), an increase of 5.4% as compared to US\$4,876.4 million for the previous corresponding period (“1H2023”). This was driven by higher merchandising sales volume. In tandem with higher revenue, EBITDA of the Group increased by 3.6% to US\$494.6 million for the current period. The Group’s net profit attributable to owners was lower at US\$102.4 million mainly affected by unrealised foreign exchange loss, higher net financial expenses and higher income tax expenses.

PLANTATIONS AND PALM OIL MILLS

Revenue from our plantation and palm oil mills segment was marginally lower at US\$907.8 million in 1H2024, with EBITDA decreased by 2.8% to US\$212.6 million in the current period. This was mainly attributable to lower plantation output during the current period. The average international CPO price (FOB Belawan) for the current period was 3.4% lower at US\$917 per tonne as compared to US\$949 per tonne during 1H2023.

Our fresh fruit bunch (“FFB”) and palm product output for 1H2024 were lower at 3,970,000 tonnes and 1,207,000 tonnes respectively as compared to 4,432,000 tonnes and 1,329,000 tonnes, respectively in 1H2023. This was primarily affected by the effect of last year’s El Niño phenomenon and the preparation of our old estates for replanting.

PALM, LAURICS AND OTHERS

Our palm, laurics and others segment refers to the processing and global merchandising of palm and oilseed-based products comprising bulk and branded products, oleochemicals, sugar and other vegetable oils.

Revenue from our palm, laurics and others segment was 5.4% higher at US\$5,093.4 million in 1H2024 primarily driven by a 11.1% increase in sales volume despite lower commodity prices. EBITDA from this segment increased by 9.0% to US\$281.8 million largely resulted from higher sales volume and our increased focus on higher value-added downstream products.

FINANCIAL EXPENSES, NET

Net financial expenses comprised net interest expenses (after deducting interest income), amortisation of deferred loan charges and other finance charges. Net financial expenses increased from US\$70.3 million in 1H2023 to US\$86.0 million in the current period mainly due to higher interest expenses recorded in line with the increasing trend of interest rate.

SHARE OF RESULTS OF JOINT VENTURES, NET

The Group’s share of profit in joint ventures decreased from US\$12.5 million in 1H2023 to US\$6.9 million mainly attributable to lower operating performance in a joint venture in line with the declining market prices during the current period.

FOREIGN EXCHANGE (LOSS)/GAIN

The Group recorded net foreign exchange loss of US\$48.3 million in 1H2024 as compared to gain of US\$16.9 million in 1H2023. The current year’s loss was mainly attributable to unrealised translation loss arising from Indonesia Rupiah (“IDR”) denominated monetary balances following the weakening of IDR against USD during the current period.

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. Net tax expense was higher at US\$35.4 million in the current period in line with higher taxable profit recorded in certain subsidiaries.

F Other information required by Listing Rule Appendix 7.2 (cont'd)

REVIEW OF FINANCIAL POSITION AS AT 30 JUNE 2024

ASSETS

The Group's total assets were higher at US\$9,933.8 million as at 30 June 2024 as compared to US\$9,716.5 million as at 31 December 2023.

Total current assets increased by US\$57.3 million to US\$3,974.0 million mainly due to higher trade receivables in line with higher revenue, as well as higher prepaid taxes and prepaid expenses, partially offset by lower cash and cash equivalents.

Total non-current assets increased by US\$160.0 million to US\$5,959.7 million as at 30 June 2024 mainly due to increase in long-term investment of US\$202.4 million resulting from additional investment in plantation funds made during the current period.

LIABILITIES

Total liabilities of the Group increased from US\$4,536.6 million as at end 2023 to US\$4,721.4 million as at end June 2024 to mainly due to higher borrowings.

REVIEW OF CASH FLOWS FOR HALF YEAR ENDED 30 JUNE 2024

The Group recorded a net cash generated from operating activities of US\$93.1 million in the current period, down from US\$262.8 million in 1H2023, mainly due to higher cash used for working capital requirement.

Net cash used in investing activities of US\$306.7 million was mainly related to capital expenditure incurred for our plantations, and property, plant and equipment, as well as additional investments made during the current period.

Net cash generated from financing activities of US\$156.6 million was mainly related to net proceeds from borrowings during the current period.

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

Not applicable.

3A Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion, (a) updates on the efforts taken to resolve each outstanding audit issue; (b) confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed. This is not required for any audit issue that is a material uncertainty relating to going concern

Not applicable.

F Other information required by Listing Rule Appendix 7.2 (cont'd)

4 A commentary at the date of the announcement of the 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 global vegetable oil market outlook remains volatile in view of ongoing geopolitical tensions, uncertain global economic conditions and climate fluctuations. However, we believe the outlook of CPO prices remains favourable due to the tightness in global vegetable oil supply and demand dynamics. The Group will closely monitor the global developments and continue to enhance its integrated operation capabilities to optimise profit opportunities along the value chain, apply technological innovation for yield improvement and cost efficiency, and commit to sustainability initiatives.

5 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) Record date

Not applicable

6 If no dividend has been declared/recommendeded, a statement to that effect

No dividend has been declared for the half year ended 30 June 2024 as the Company generally reviews its dividend distribution during the second half of the financial year.

F Other information required by Listing Rule Appendix 7.2 (cont'd)

7 Interested persons transactions disclosure

Name of interested person ("IP")	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 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 S\$100,000)
		USD	USD
Sinarmas Land Limited	#1	Nil	379,046
Subsidiaries of Sinarmas Land Limited:			
- PT Duta Cakra Pesona	#1	Nil	1,986,488
- PT Royal Oriental	#1	Nil	4,737,925
Subsidiaries of PT Dian Swastatika Sentosa Tbk:			
- PT Rolimex Kimia Nusamas	#1	Nil	13,334,964
- PT Roundhill Capital Indonesia	#1	Nil	12,407,247
Subsidiaries of PT Sinar Mas Multiartha Tbk:			
- PT Asuransi Sinar Mas	#1	Nil	6,631,834
- PT Bank Sinarmas Tbk	#1	Nil	9,266,877 #2
	#1	Nil	9,950,000 #3
PT Cakrawala Mega Indah	#1	Nil	6,759,912
PT Indah Kiat Pulp & Paper Tbk	#1	Nil	165,956
PT Kreasi Kotakmegah	#1	Nil	357,366
Total		Nil	65,977,615

Notes:

* Renewed at Annual Meeting on 23 April 2024 pursuant to Rule 920 of the SGX-ST listing manual ("Listing Manual").

#1 These IPs are regarded as associates of GAR's controlling shareholder under Chapter 9 of the Listing Manual on interested person transactions.

#2 Principal amount of placements as at 30 June 2024 is approximately USD4.034 million.

#3 Outstanding swap transactions as at 30 June 2024 is approximately USD4.210 million.

F Other information required by Listing Rule Appendix 7.2 (cont'd)

8 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.

9 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 half year ended 30 June 2024 unaudited financial results to be false or misleading.

On behalf of the board of directors

Franky Oesman Widjaja
Director

Rafael Buhay Concepcion, Jr.
Director

BY ORDER OF THE BOARD

Rafael Buhay Concepcion, Jr.
Director
13 August 2024

Submitted by Kimberley Lye Chor Mei, Director, Corporate Secretarial on 13 August 2024 to the SGX