

Solid performance, Golden Agri records an all-time high EBITDA of US\$1.8 billion in 2022

- Golden Agri-Resources reaps the benefits of its integrated business model
- Proposed final dividend of 0.991 Singapore cents per share for a total of 1.791 Singapore cents per share for full year 2022, 12 percent higher than in the previous year

FINANCIAL HIGHLIGHTS

US\$'million	Year ended		Change	Half year ended		Change
	31 Dec 2022 (FY 2022)	31 Dec 2021 (FY 2021)		31 Dec 2022 (2H 2022)	30 Jun 2022 (1H 2022)	
Revenue	11,439	10,183	12%	5,949	5,490	8%
Gross Profit	3,026	2,355	28%	1,656	1,369	21%
EBITDA¹	1,826	1,214	50%	1,019	807	26%
Underlying Profit²	922	603	53%	515	407	27%
Foreign Exchange Gain/(Loss) ³	12	34	-66%	-29	41	n.m
Deferred Tax Income/(Expense) ³	-30	-48	-38%	-31	1	n.m
Net Profit ⁴	782	476	64%	392	390	1%

Notes:

1 Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, net gain or loss from changes in fair value of biological assets, foreign exchange gain or loss, and exceptional items. EBITDA includes net fair value gain/(loss) on financial assets in accordance with IFRS 9 of US\$(205) million, US\$43 million, US\$(207) million and US\$2 million in 2022, 2021, 2H 2022 and 1H 2022, respectively.

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

3 Net of tax and/or controlling interests.

4 Attributable to owners of the Company.

Singapore, 28 February 2023 – Golden Agri-Resources Ltd (“GAR” or the “Company”) achieved new record results for full year 2022, underpinned by robust upstream and exceptional downstream performance. This remarkable success was achieved amidst the volatile industry environment during the year.

On the results, **Mr Franky O. Widjaja, GAR Chairman and Chief Executive Officer** commented: “The Board is pleased to see another record achievement for Golden Agri-Resources in 2022. We continue to reap the benefits of our strategy to develop an integrated business model that allows for a robust profit base. Our management’s sharp focus and solid teamwork helped us to skilfully navigate industry uncertainties during the year to accomplish these outstanding results.”

Top line revenue increased by 12 percent year on year to reach a new record high of US\$11.4 billion, supported by CPO market price appreciation. Consistent performance in the second half of 2022 contributed US\$1.0 billion in EBITDA, delivering a 50 percent jump in full year results totaling US\$1.8 billion. Underlying profit increased by 53 percent to US\$922 million, followed by strong growth in net profit by 64 percent to US\$782 million. This robust performance was achieved as a result of sustained high palm oil market prices, record production output and excellent execution of our downstream business strategies.

Mr. Widjaja further added: "CPO prices have normalised gradually yet remained firm. Global vegetable oil supply and demand dynamics are expected to remain tight, hence supporting prices. Limited agricultural land, continuing extreme weather conditions, and replanting activities for palm will hinder supply growth. Meanwhile, demand is well supported by relaxation of COVID-19 restrictions and the increasing Indonesia biodiesel blending mandate. As the most productive and most economical vegetable oil, palm oil is well positioned to benefit from these dynamics."

With careful consideration of rewarding shareholders whilst maintaining strong balance sheet ahead of the anticipated global economic slowdown, the Board proposes a final dividend of 0.991 Singapore cents per share. Including the interim dividend of 0.800 Singapore cents per share distributed in November 2022, total dividend for FY2022 will be 1.791 Singapore cents per share or approximately US\$166 million in total. This dividend is 12 percent higher than the previous year's and represents the largest-ever distribution. The proposed final dividend will be distributed on 18 May 2023 subject to approval from GAR's shareholders at the 2023 Annual Meeting.

SEGMENTAL PERFORMANCE

Plantations and palm oil mills

As at 31 December 2022, GAR's planted area, including plasma, totaled 538 thousand hectares, of which 92 percent was mature. As part of its yield intensification programme, GAR replanted 17,300 hectares of old estates in 2022 with higher-yielding, next-generation planting materials. This expanded replanting activity maintained the average age of plantations at 16 years.

With the seasonal weather pattern back to normal, second half fruit yield improved to 10.7 tonnes per hectare bringing the full year yield to 20.3 tonnes per hectare, slightly higher than in the previous year. Palm product output in 2022 reached an all-time high, expanding by three percent to 3.1 million tonnes.

CPO price normalisation impacted upstream performance in the second half of the year, although average CPO market price 2022 remained higher than in the previous year. This resulted in a record upstream EBITDA of US\$804 million during 2022, three percent higher than in 2021 and with a stable margin of 35.5 percent.

Palm, laurics and others

Our downstream segment mostly consists of the processing and global merchandising of palm and oilseed-based products comprising bulk and branded products, oleo-chemicals and other vegetable oils.

The palm, laurics and others segment generated revenue of US\$11.4 billion during 2022, 12 percent higher than in the previous year largely due to higher selling prices. The lifting of Indonesia's temporary export ban on palm oil products resulted in higher sales volume in the second half, recovering by 31 percent from the first half. This brought full year sales volume to 9.7 million tonnes.

With the reopening of global economic activities and more favourable market conditions in the second semester, downstream business further optimised value extraction along the chain. The exceptional EBITDA for this segment in 2022 exceeded US\$1 billion, increasing by 135 percent with a margin as high as 9.0 percent. This contributed around 56 percent to GAR's total consolidated EBITDA.

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About Golden Agri-Resources Ltd (GAR)

GAR is a leading fully-integrated agribusiness company. In Indonesia, it manages oil palm plantation area of 537,697 hectares (including plasma smallholders) as of 31 December 2022. It has integrated operations focused on the technology-driven production and distribution of extensive portfolio of palm-based products throughout its established international marketing network.

Founded in 1996, GAR was listed on the Singapore Exchange in 1999 and has a market capitalisation of US\$2.3 billion as of 31 December 2022. Flambo International Limited, an investment company, is GAR's largest shareholder, with a 50.56 percent stake. In addition, GAR has several subsidiaries, including PT SMART Tbk, which was listed on the Indonesia Stock Exchange in 1992.

As an integrated agribusiness, GAR delivers an efficient end-to-end supply chain, from responsible production to global delivery. In Indonesia, its primary activities include cultivating and harvesting oil palm trees; the processing of fresh fruit bunch into crude palm oil (CPO) and palm kernel; refining CPO into value-added products such as cooking oil, margarine, shortening, biodiesel and oleo-chemicals; as well as merchandising palm products globally. GAR's products are delivered to a diversified customer base in over 100 countries through its global distribution network with shipping and logistics capabilities, destination marketing, on-shore refining and ex-tank operations. GAR also has complementary businesses such as soybean-based products in China, sunflower-based products in India, and sugar businesses.

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