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Golden Agri-Resources Ltd
Full Year 2022 Performance Presentation

28 February 2023

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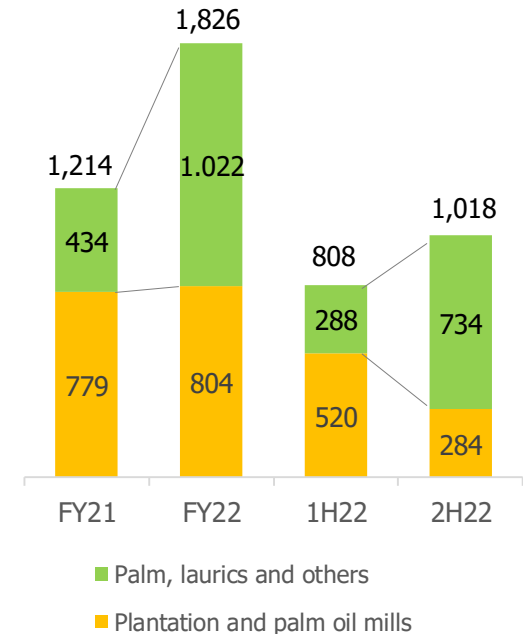
New record full year results underpinned by robust upstream and exceptional downstream contribution

FY 2022 Financial Performance

Revenue	EBITDA	Underlying Profit ¹	Total Dividend ²
US\$11.44 bn +12%	US\$1.83 bn +50%	US\$922 mn +53%	S\$1.791 cents +12%

- Average CPO FOB price appreciated by 7% to US\$1,248/MT (CPO FOB price for first and second half 2022 was US\$1,595 and US\$963 per MT, respectively)
- Fruit production grew by 5%
- Expanded downstream EBITDA margin of 9%

Segmental EBITDA³ (US\$ million)



- Notes:**
1. Net profit attributable to owners of the Company, excluding net effect of net loss from changes in fair value of biological assets, depreciation of bearer plants, exceptional items, foreign exchange gain, and deferred tax expense
 2. Consists of proposed dividend of S\$0.991 cents per share and interim dividend of S\$0.8 cents per share distributed on 28 November 2022
 3. Before inter-segment eliminations

Financial Highlights



Record full year performance through optimal realisation of our integrated business model

US\$ million	FY 2022	FY 2021	YoY	2H 2022	1H 2022	HoH
Revenue	11,439	10,183	12%	5,949	5,490	8%
Gross Profit	3,026	2,355	28%	1,656	1,369	21%
EBITDA ¹	1,826	1,214	50%	1,019	807	26%
Underlying Profit ²	922	603	53%	515	407	27%
<i>Net gain/(loss) from changes in fair value of biological assets³</i>	<i>-13</i>	<i>3</i>	<i>n.m</i>	<i>-8</i>	<i>-5</i>	<i>50%</i>
<i>Depreciation of bearer plants³</i>	<i>-108</i>	<i>-115</i>	<i>-5%</i>	<i>-54</i>	<i>-54</i>	<i>-</i>
<i>Foreign exchange gain/(loss)³</i>	<i>12</i>	<i>34</i>	<i>-66%</i>	<i>-29</i>	<i>41</i>	<i>n.m</i>
<i>Deferred tax income/(expense)³</i>	<i>-30</i>	<i>-48</i>	<i>-38%</i>	<i>-31</i>	<i>1</i>	<i>n.m</i>
<i>Exceptional items³</i>	<i>-0.3</i>	<i>-0.7</i>	<i>-57%</i>	<i>-0.3</i>	<i>-</i>	<i>n.m</i>
Net profit attributable to owners of the Company	782	476	64%	392	390	1%

Notes:

- 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
- Net profit 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
- Net of tax and/or non-controlling interests

Healthy financial position supported by strong performance and prudent management

US\$ million	31-Dec-22	31-Dec-21	Change
Total Assets	9,902	9,608	3%
<i>Cash and short-term investments</i>	<i>1,145</i>	<i>666</i>	<i>72%</i>
<i>Fixed assets¹</i>	<i>3,820</i>	<i>3,999</i>	<i>-4%</i>
Total Liabilities	4,648	4,716	-1%
Net Debt ²	142	970	-85%
<i>Interest bearing debt</i>	<i>2,984</i>	<i>2,998</i>	<i>-0.5%</i>
<i>Cash, short-term investments and liquid working capital³</i>	<i>2,841</i>	<i>2,028</i>	<i>40%</i>
Total Equity	5,254	4,892	7%
Current Ratio	1.30x	1.17x	
Debt/Total Equity	0.57x	0.61x	
Net Debt ² /EBITDA	0.08x	0.80x	
EBITDA/Interest	10.01x	7.54x	

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 consists of trade receivables, inventories (excluding consumables), deposits and advances to suppliers less trade payables and advances from customers

The Board declares final dividend of 0.991 Singapore cents per share, bringing total dividend to a record distribution of 1.791 Singapore cents per share for the full year 2022, 12% higher than the previous year

Cash Dividend	2019	2020	2021	Interim	2022	
					Final	Total
Dividend per share (in S\$ cents)	0.580	0.480	1.605	0.800	0.991	1.791
Total Dividend (in S\$ million)	73.86	60.92	203.71	101.45	125.68	227.13
Underlying Profit ¹ (in US\$ million)	271.82	230.19	602.86			921.91
Dividend yield	2.9%	2.5%	5.7%			6.9%

- The proposed dividend is in line with the Company's dividend policy, which is to distribute up to 30% of underlying profit
- The final dividend is proposed with careful consideration of rewarding shareholders whilst maintaining strong balance sheet ahead of the anticipated global economic slowdown

Note:

1. Net profit 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

Segmental Performance



Segmental Results

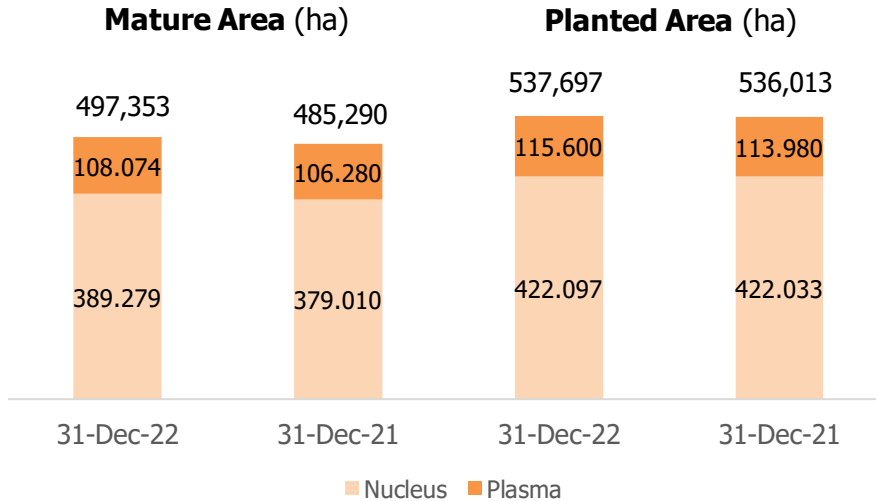
Plantations and Palm Oil Mills

	FY 2022	FY 2021	YoY	2H 2022	1H 2022	HoH
Revenue (US\$ million)	2,268	2,190	4%	1,019	1,249	-18%
EBITDA (US\$ million)	804	779	3%	284	520	-45%
<i>EBITDA margin</i>	<i>35.5%</i>	<i>35.6%</i>	<i>-0.1%</i>	<i>27.9%</i>	<i>41.7%</i>	<i>-13.8%</i>
CPO FOB Market Price (US\$/MT)	1,248	1,168	7%	963	1,595	-40%
<i>Net of export levy and tax (US\$/MT)</i>	<i>969</i>	<i>819</i>	<i>18%</i>	<i>832</i>	<i>1,135</i>	<i>-27%</i>
FFB Production ('000 tonnes)	10,101	9,660	5%	5,336	4,765	12%
Nucleus	7,812	7,503	4%	4,016	3,796	6%
Plasma	2,289	2,158	6%	1,320	969	36%
FFB Yield (tonnes/ha)	20.3	19.9	2%	10.7	9.4	14%
Palm Product Output ('000 tonnes)	3,060	2,961	3%	1,608	1,453	11%
CPO	2,428	2,350	3%	1,274	1,154	10%
PK	632	611	4%	334	298	12%
Oil Extraction Rate	21.0%	21.4%	-0.4%	20.8%	21.2%	-0.4%
Kernel Extraction Rate	5.5%	5.6%	-0.1%	5.5%	5.5%	-
Palm Product Yield (tonnes/ha)	5.4	5.4	-	2.8	2.5	12%

Second half result was impacted by the 40% decline in CPO market price

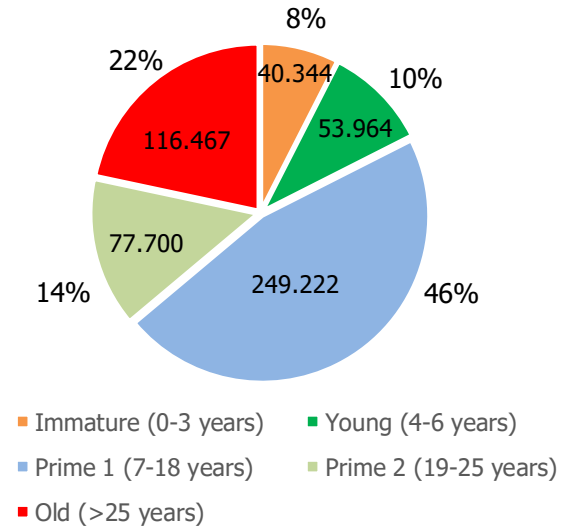
Note: EBITDA includes allocated net fair value gain/(loss) on financial assets (IFRS 9) of US\$(48) million, US\$8 million, US\$(49) million and US\$1 million in 2022, 2021, 2H 2022 and 1H 2022, respectively

Continued long-term productivity growth through technological innovation and replanting with higher yielding seeds



- Immature and young estates use next-generation, higher-yielding seeds for continued long-term production growth
- Expanded replanting activity to around 17,300 ha for FY 2022
- Average age of plantations sustained at 16 years

Age Profile as of 31 December 2022



Note: Including plasma

Exceptional performance in the second half of 2022 led to record downstream EBITDA exceeding US\$1 billion for the full year

	FY 2022	FY 2021	YoY	2H 2022	1H 2022	HoH
Revenue (US\$ million)	11,366	10,150	12%	5,899	5,467	8%
Sales Volume ('000 tonnes)	9,698	10,131	-4%	5,505	4,193	31%
EBITDA (US\$ million)	1,022	434	135%	734	288	155%
<i>EBITDA margin</i>	<i>9.0%</i>	<i>4.3%</i>	<i>4.7%</i>	<i>12.4%</i>	<i>5.3%</i>	<i>7.1%</i>

- Optimal realisation of integrated business model resulted in margins more than doubling
- Sales volume recovered in the second half following the lifting of the temporary export ban

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. EBITDA includes allocated net fair value gain/(loss) on financial assets (IFRS 9) of US\$(158) million, US\$35 million, US\$(159) million and US\$1 million in 2022, 2021, 2H 2022 and 1H 2022, respectively

Strategy and Outlook



Strategic Focus

- Continue to bolster our competitive strengths as a **leading technology-driven soil-to-table agribusiness company**
 - Leveraging **cutting-edge technology** and **agri-science innovation** throughout our business value chain, advancing our operational excellence to the next level
 - Enhancing capability in serving growing global demand of **health-friendly and sustainably-produced products**
- Targeted capital expenditure of **up to US\$240 million** in 2023 mainly for replanting, expansion of kernel crushing and oleochemical plants, enhancement of downstream facilities, and carbon emission reduction initiatives

Industry Outlook

- Fundamental supply and demand balance is expected to remain tight
 - **Supply growth remains limited** with aging plantations and replanting activities for the industry
 - Additional demand from **Indonesia's B35 commitment** to provide support in the expected global economic slowdown
- Robust long-term industry outlook underpinned by palm oil's high productivity, competitive price and wide range of uses, along with continuing extreme weather conditions that also support prices



Committing to climate action

- GAR and 13 companies signed Agriculture Sector Roadmap to 1.5°C at COP27
- Accelerating action in supply chains to stop commodity-linked deforestation
- GAR also implementing Task Force for Climate-related Financial Disclosures (TCFD) recommendations

Fully traceable palm supply chain

- Achieved around 98% full traceability to the plantation for the palm supply chain
- Phase II of supply chain transformation: projects supporting Tier 2 suppliers/ smallholders
- TTP enables GAR to carry out supply chain No Deforestation, Peat, Exploitation Implementation Reporting Framework assessments

Supporting farmers

- Working with TaniFoundation to boost agricultural literacy among 80 farmer groups
- Training on environmentally friendly agricultural practices: zero burning, production of organic fertilisers and pesticides, seed preparation

Sustainability awards

- PT SMART Tbk was **Overall Winner in the Sustainable Business Award (SBA) Indonesia**
- Also won awards for Supply Chain Management, Land Use & Biodiversity, Business Ethics & Responsibility, and Significant Achievement on Sustainability Strategy
- GAR won **2022 Singapore Environmental Achievement Awards (SEAA)** – Regional Award (Merit)



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
<u>31 December 2022</u>						
Nucleus	32,818	50,130	220,622	53,154	65,373	422,097
Plasma	7,526	3,834	28,600	24,546	51,094	115,600
Total Planted Area	40,344	53,964	249,222	77,700	116,467	537,697
% of total	8%	10%	46%	14%	22%	100%
<u>31 December 2021</u>						
Nucleus	43,024	37,539	212,205	73,323	55,942	422,033
Plasma	7,699	3,476	27,523	33,868	41,414	113,980
Total Planted Area	50,723	41,015	239,728	107,191	97,356	536,013
% of total	9%	8%	45%	20%	18%	100%



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