gar
agribusiness and food

CULTIVATING EXCELLENCE EMERGING STRONGER

GOLDEN AGRI-RESOURCES LTD ANNUAL REPORT 2022

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Photo by Adnan

CULTIVATING EXCELLENCE

EMERGING STRONGER

Golden Agri-Resources continues strengthening its competitive edge through operational excellence, plant and product innovation as a leading global seed-to-shelf palm-based business. Applied use of technology and responsible production values are the cornerstones of our growth strategy, allowing GAR to meet new trends in customer and consumer preferences and emerge stronger.

VISION

Be the best, fully-integrated, global agribusiness and consumer product company – **the partner of choice**

MISSION

We efficiently provide sustainable and superior quality agribusiness and consumer products, solutions and services to create value for all our stakeholders

OUR CULTURE

PERFORMANCE
We deliver outstanding results

OWNERSHIP
We do what is best for the Company

COLLABORATION
We work as a team

PEOPLE
We realise our people's potential

OUR SHARED VALUES

INTEGRITY
To put statements or promises into actions so that one can earn the trust of others

POSITIVE ATTITUDE
To display encouraging behaviour towards the creation of a mutually appreciative and conducive working environment

COMMITMENT
To perform our work whole-heartedly in order to achieve the best results

CONTINUOUS IMPROVEMENT
To continuously enhance the capability of self, working unit and organisation to obtain the best results

INNOVATION
To come up with ideas or to create new products/tools/systems that can increase productivity and the Company's growth

LOYALTY
To cultivate the spirit of knowing, understanding and implementing the Company's core values as part of the GAR family

GLOBAL INTEGRATED OPERATIONS

Listed on the Singapore Exchange since 1999, Golden Agri-Resources Ltd is one of the leading integrated palm oil plantation companies in the world generating revenue of over US$11 billion and underlying profit of US$922 million in 2022.

GAR's integrated operations focus on the technology-driven production and distribution of extensive portfolio of palm-based products. GAR encompasses an efficient end-to-end supply chain, from responsible production to global delivery. Our primary activities start from cultivating 538 thousand hectares of oil palm plantations in Indonesia, including plasma smallholders; harvesting and extracting fresh fruit bunches into crude palm oil and palm kernel; to processing it into a broad range of value-added products such as cooking oil, margarine, shortening, biodiesel and oleochemicals; as well as merchandising palm products globally.

GAR has global market presence with destination refining, ex-tank operations and sales representative offices in many large consuming countries. GAR's products are sold globally to a diversified customer base by leveraging its extensive distribution network, strong merchandising, branding, and destination marketing. Our shipping and logistics capabilities are bolstered by our ownership of vessels, sea ports, jetties, warehouses and bulking facilities in strategic locations. GAR also has complementary businesses such as soybean-based products in China, sunflower-based products in India, and sugar businesses.

14
COUNTRIES OF OPERATIONS

± 99,800
EMPLOYEES WORLDWIDE

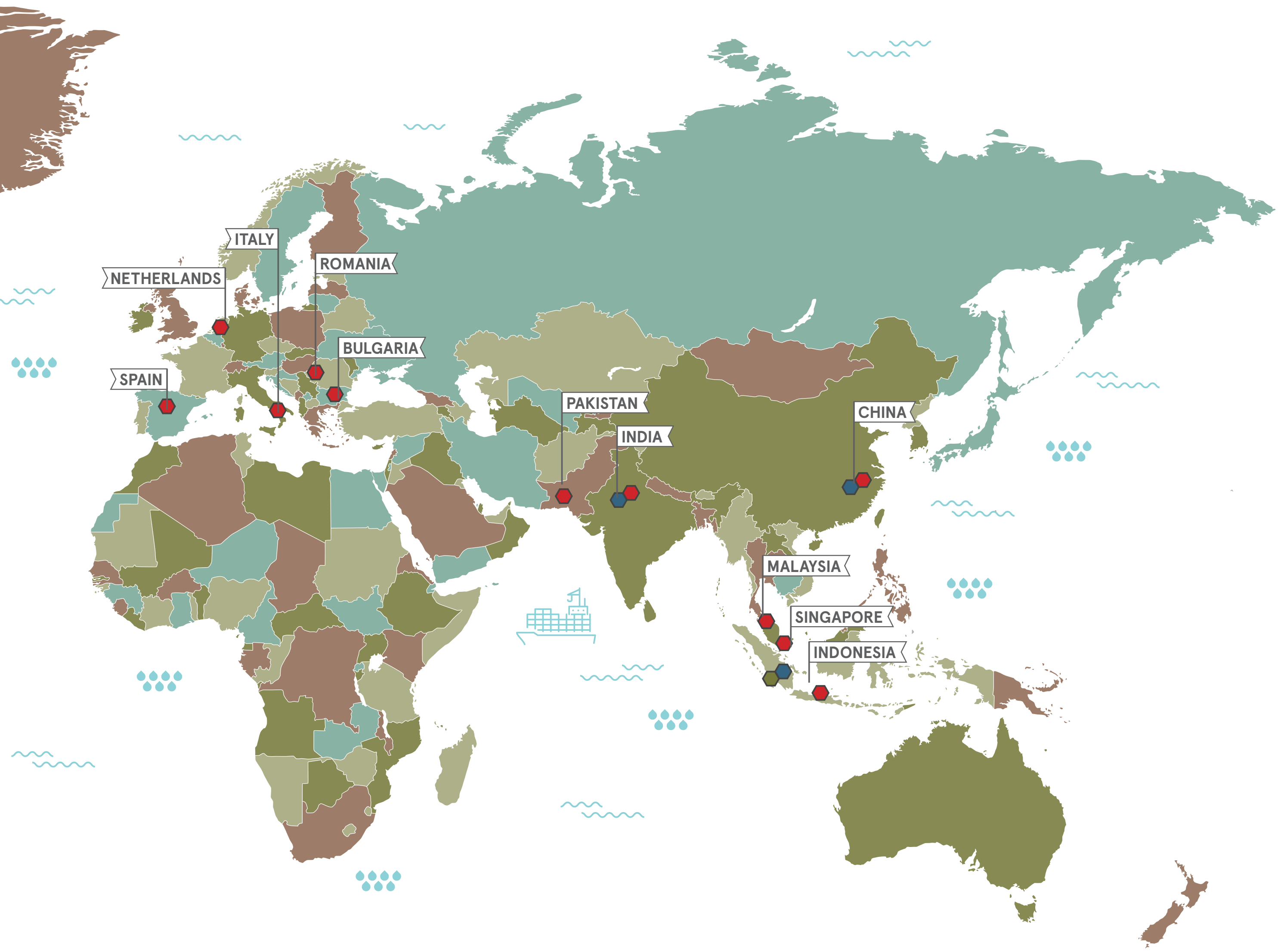
OIL PALM PLANTATIONS

Estates
538k ha

Palm Product Output
3.1mn MT

PROCESSING AND PRODUCT CUSTOMISATION:

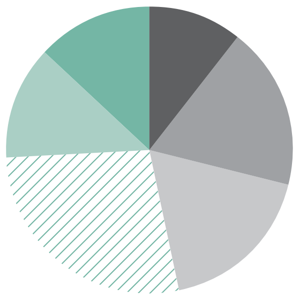
+ Refinery
+ Kernel crushing plant
+ Biodiesel plant
+ Oleochemical plant
+ Soybean crushing plant



LOGISTIC EXCELLENCE AND DESTINATION MARKET EXPERTISE:

+ International sales offices and ex-tank operations
+ Global distribution logistics

+ **>30** consumer brands
+ Sold in **>100** countries



2022 TURNOVER

US$11.44 Billion

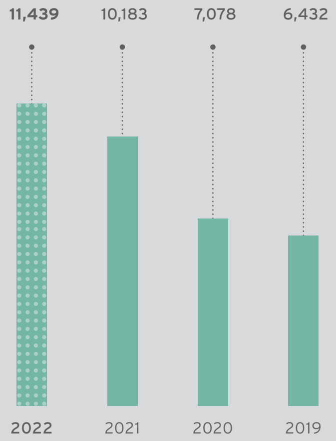
- 10.8% CHINA
- 18.3% INDONESIA
- 17.8% INDIA
- 27.5% REST OF ASIA
- 12.7% EUROPE
- 12.9% OTHERS

FINANCIAL HIGHLIGHTS

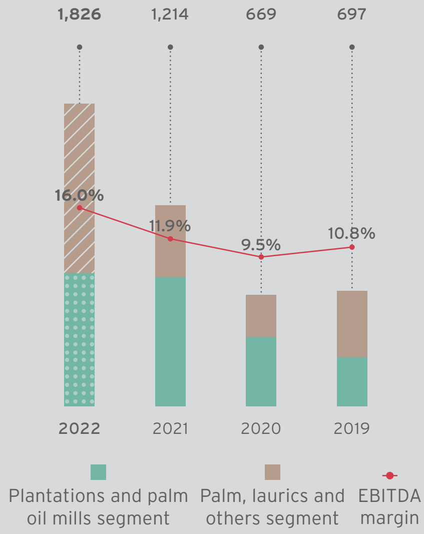
	2022	2021	2020	2019
Consolidated Income Statement (US$'000)				
Revenue	**11,438,798**	10,182,536	7,077,888	6,431,799
Gross profit	**3,025,578**	2,354,610	1,150,042	831,467
EBITDA[1,2]	**1,826,109**	1,214,017	669,007	696,695
Underlying profit[2,3]	**921,907**	602,862	230,187	271,815
Net profit attributable to owners of the Company	**782,103**	476,179	31,755	193,977
Weighted average number of shares (million shares)	**12,683**	12,692	12,700	12,735
Underlying profit[3] per share (US$ cents)	**7.27**	4.75	1.81	2.13
Earnings per share (US$ cents)	**6.17**	3.75	0.25	1.52
Dividend per share for the current year's underlying profit (S$ cents)[4]	**1.791**	1.605	0.480	0.580
Consolidated Statement of Financial Position (US$'000)				
Total assets	**9,902,072**	9,608,111	9,126,380	8,779,331
Total current assets	**4,158,498**	3,432,157	3,357,716	2,962,957
Total current liabilities	**3,193,889**	2,934,793	2,889,177	2,737,105
Total non-current liabilities	**1,453,834**	1,781,314	1,805,589	1,536,782
Non-controlling interests	**252,888**	214,613	185,687	148,376
Equity attributable to owners of the Company	**5,001,461**	4,677,391	4,245,927	4,357,068
Financial Ratios				
Gross profit margin	**26.5%**	23.1%	16.2%	12.9%
EBITDA[1] margin	**16.0%**	11.9%	9.5%	10.8%
Underlying profit[3] margin	**8.1%**	5.9%	3.3%	4.2%
Net profit[5] margin	**6.8%**	4.7%	0.4%	3.0%
Return on equity[6]	**18.4%**	12.9%	5.4%	6.2%
Return on assets[7]	**9.3%**	6.3%	2.5%	3.1%
Current ratio (times)	**1.30**	1.17	1.16	1.08
Debt to equity[8] (times)	**0.57**	0.61	0.71	0.70
Net debt to EBITDA[9] (times)	**0.08**	0.80	1.66	2.26
Receivable turnover[10] (days)	**25**	27	32	29
Inventory turnover[11] (days)	**64**	54	60	66
Other Information				
Average CPO price - FOB Belawan (US$ per tonne)	**1,248**	1,168	691	523

1 EBITDA = 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
2 Includes net fair value gain or loss on financial assets in accordance with IFRS 9
3 Underlying profit = net profit attributable to owners of the Company excluding net effect of net gain or loss 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
4 2022 dividend per share consists of proposed dividend of S$0.991 cents per share and interim dividend of S$0.800 cents per share distributed on 28 November 2022
5 Attributable to owners of the Company
6 Return on equity = underlying profit / equity attributable to owners of the Company
7 Return on assets = underlying profit / total assets
8 Debt to equity = interest bearing debt / total equity
9 Net debt to EBITDA = (total borrowings - cash and cash equivalents - short-term investments - liquid working capital) / EBITDA
10 Receivable turnover = average trade receivables / revenue x 365
11 Inventory turnover = average inventory / cost of sales x 365

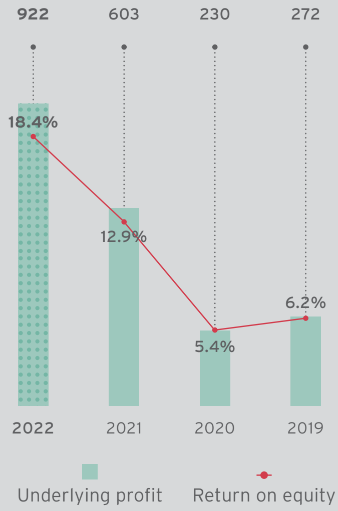
REVENUE
US$ MILLION



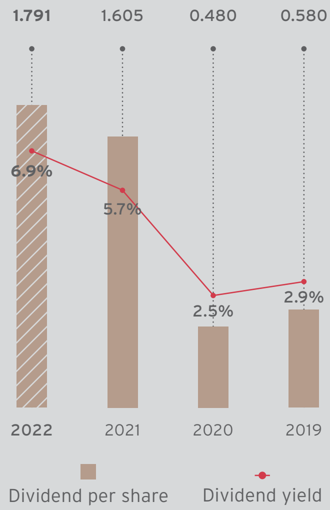
EBITDA
US$ MILLION
EXCEPT FOR EBITDA MARGIN



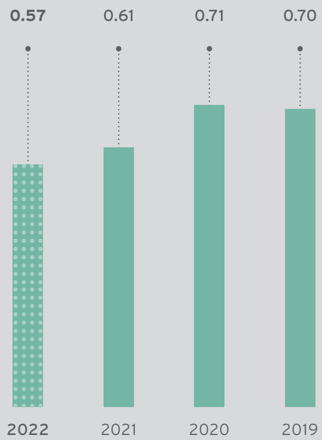
UNDERLYING PROFIT
US$ MILLION
EXCEPT FOR RETURN ON EQUITY



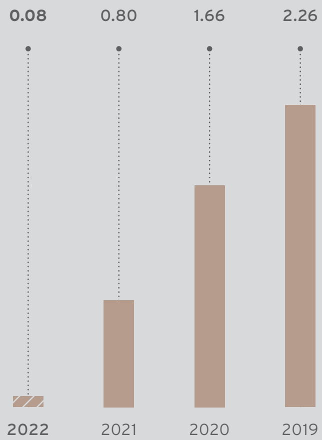
DIVIDEND PER SHARE
S$ CENTS
EXCEPT FOR DIVIDEND YIELD



DEBT TO EQUITY RATIO
TIMES



NET DEBT TO EBITDA RATIO
TIMES



CHAIRMAN'S STATEMENT

THE COMPANY DELIVERED ON ALL OUR FINANCIAL PRIORITIES - ACHIEVING HIGHER RETURNS WITH MORE ROBUST CASH FLOWS, STRENGTHENING THE BALANCE SHEET, AND REWARDING OUR SHAREHOLDERS MORE.

Franky Oesman Widjaja

CHAIRMAN & CHIEF EXECUTIVE OFFICER

DEAR SHAREHOLDERS,

2022 was another fruitful year for Golden Agri-Resources Ltd (GAR or the Company). The Board of Directors is delighted to report that GAR delivered another sterling performance in the financial year 2022 (FY2022), which saw record financial earnings. In addition, the Company delivered on all our financial priorities – achieving higher returns with more robust cash flows, strengthening the balance sheet, and rewarding our shareholders more.

FY2022 – A CHALLENGING YET SUCCESSFUL YEAR

In 2022 we experienced the most volatile market for palm oil in recent history. Palm oil price (FOB) started at US$1,300 per MT, reaching a peak of almost US$2,000 per MT before stabilising in the second half of the year to a full-year average of US$1,248 per MT.

Against the volatile backdrop, our global operations and fully integrated business model demonstrated strength and resilience as we skilfully navigated the challenging environment and captured opportunities to deliver these excellent results. The outstanding collaboration and focused execution by our people on the ground made a positive difference. For FY2022, GAR increased its revenue to US$11.44 billion, generating an all-time high EBITDA of US$1.83 billion and underlying profit of US$922 million, while net profit grew strongly to US$782 million.

From our large-scale managed plantations of 538 thousand hectares in Indonesia, our upstream business produced its record palm product output level of 3.06 million tonnes, with a yield well above the industry average at 5.4 tonnes per hectare. Coupled with higher prices, the business posted an EBITDA margin of 35.5 percent or US$804 million. We remain focused on intensification and efficiency, optimising the productivity of our plantations and maintaining our cost leadership in the long term through digitalised precision agriculture practises and other agri-technological innovations.

Our downstream operation optimised utilising our integrated business assets, focusing on profitability. This includes leveraging our advanced manufacturing facilities, international logistic capabilities, broad product portfolio, and geographical presence. As a result, this segment improved its margin to 9.0 percent leading to an exceptional EBITDA of US$1.02 billion, an increase of 135 percent from the previous year. We are pleased that by building competitive advantages throughout the business value chain, we successfully navigated the impact of the one-month Indonesia export ban.

Our financial position has strengthened progressively, driven by our deleveraging initiative and strong operational performance. As a result, our gearing ratio (debt to equity) stood at 0.57 times, a further decline from 0.61 times in the previous year. This stronger financial position provides us additional liquidity and, when needed, flexibility in tapping various funding alternatives at competitive costs.

CHAIRMAN'S STATEMENT

The Board proposes a final dividend of 0.991 Singapore cents per share in line with our dividend policy. Combined with the interim dividend of 0.800 Singapore cents per share distributed in November 2022, the total dividend for FY2022 profit would be 1.791 Singapore cents per share or approximately US$166 million. This amount represents the highest dividend distributed by the Company and an increase of 12 percent from the previous year. In addition, GAR further rewarded its shareholders by returning an additional US$2.31 million through re-purchasing 10.4 million GAR shares from the market. The Company acknowledges the importance of returns to shareholders. Accordingly, we have carefully determined the level of dividend distribution and share buyback to strike an optimal balance between rewarding shareholders and maintaining robust liquidity to withstand the continuing volatile market conditions.

CULTIVATING EXCELLENCE, EMERGING STRONGER

GAR's long-term success has been underpinned by the evolving journey of its business model transformation. Today, we are a global, fully integrated seed-to-shelf palm-based company with complementing businesses in oilseeds and sugar. This has strategically positioned us to capture opportunities, derive optimum value from the value chain and perform consistently well throughout the year.

As a responsible corporate citizen, optimal land usage is crucial, reducing the burden on the earth while feeding the needs of a growing global population. Therefore, and in alignment with our No Deforestation commitment, our strategic priority is expansion through intensification. Our upstream's main objective is to grow yields sustainably at manageable costs by adopting technological and agri-science innovation especially as we pursue replanting of our older estates. We also aim to optimise the value of our plantation's by-products as a biomass alternative. At the downstream, we continue expanding our capacity to serve customer preference towards healthier and sustainably sourced products. Our end-to-end global distribution and logistics competencies provide further opportunities to maximise benefit from the growing demand for international markets.

Photo by Benie Christian Sembiring

WE LEVERAGE CUTTING-EDGE TECHNOLOGY THROUGHOUT OUR BUSINESS VALUE CHAIN TO ADVANCE OPERATIONAL EXCELLENCE AND BECOME A DIGITALLY ENABLED AGRIBUSINESS COMPANY.

GAR aspires to build our competitive edge as a leading and innovative integrated agribusiness and food player through its superior at-scale upstream and resilient value-adding downstream. We leverage cutting-edge technology throughout our business value chain to advance operational excellence and become a digitally enabled agribusiness company. The application is conducted with three principles: simplicity, precision and modularity.

We also continue to build partnerships with companies with scale, specialised expertise, and operational assets in technology. With the right to use their technology and services, we can drive synergistic benefits to GAR's core business in the future and further accelerate our transformation process. We recognise the increasing pace of change in our industry; hence we must be agile in our decision-making and embrace new digital solutions to maintain and enhance our competitive advantages.

CONTINUOUSLY IMPROVING OUR SUSTAINABILITY PERFORMANCE

By the end of 2022, we had achieved 98 percent traceability to plantation (TTP), one of our key sustainability goals. This is the culmination of years of intensive effort, beginning in 2015 when we launched our supply chain traceability project. As a result, we are likely one of the few agri-businesses to have mapped their palm critical suppliers this comprehensively in Indonesia.

This investment in mapping and knowing our supply chain, and using that data to monitor compliance with sustainability commitments is paying off. Our traceability and related efforts enable us to mitigate risks in our supply chain while offering our customers a clearer overview of their supply chain. We are providing more granular information on No Deforestation, No Peat and No Exploitation (NDPE) implementation in our supply chain to our customers. We report this annually through the NDPE Implementation Reporting Framework (NDPE IRF) and also provide more detailed and tailored reports to customers upon request.

This will help us meet our commitments in the Agriculture Sector Roadmap to 1.5°C, which we and 13 other companies signed at COP27. The roadmap aims to accelerate existing action by the agri-commodity sector on deforestation to align with global climate goals in a way that contributes to food security, economic development and farmer livelihoods. As agreed in the roadmap, all palm oil volumes are expected to be in the "Delivering" category of the NDPE IRF by 2025. I am proud that GAR is an active participant and signatory to this important initiative.

Related to this, we are actively stepping up our climate action. We are implementing the Taskforce on Climate-related Financial Disclosure (TCFD) recommendations. Aside from reporting Scope 1 and Scope 2 for the whole group, we are also working on our Scope 3 emissions calculations. We are progressing in our work to set targets for emissions reduction. More details can be found in our upcoming 2022 Sustainability Report.

CHAIRMAN'S STATEMENT

We are developing a new Sustainability Framework for the whole business to ensure that our sustainability goals remain relevant. This will build on our substantial progress in implementing commitments in the GAR Social and Environmental Policy (GSEP) and set new targets for the whole group. Climate action and supply chain transformation will be among the priority action pillars. We will also look at enhancing our partnerships, working with communities, and boosting employee welfare. I look forward to sharing this Framework with you soon.

LOOKING AHEAD WITH OPTIMISM

As we commenced 2023, CPO prices have gradually normalised while industry fundamentals remain firm with tight supply and demand dynamics. However, palm oil production growth will remain limited due to various ongoing factors, including ageing trees, replanting activities, and the recurrence of unfavourable weather conditions in multiple locations. On the other hand, demand is recovering as global business activities resume. It is further supported by the increase of the Indonesian biodiesel mandate to 35 percent, the largest mandate in the world, following the Government's determined commitment to reduce emissions in COP27.

With the limited availability of agricultural land, the capability to produce more from less area is a vital element in sustainable agriculture. Palm oil, with its leading yields and growing applications, bodes well to contribute to this future target. Therefore, we look ahead confidently, focusing on creating sustainable long-term value for our shareholders while closely observing the development of market fundamentals, the global macroeconomic situation, and geopolitical conditions.

APPRECIATION

On behalf of the Board, we convey our considerable appreciation to the management team and all our employees. Their tremendous efforts in forging GAR's competitive advantages positively contributed to this notable performance. Our immense gratitude also goes to our respected customers, suppliers, shareholders, creditors, business partners, and other stakeholders who have supported GAR year after year.

Finally, FY2022 has been an eventful year bringing many challenges. Undoubtedly there will be new challenges to face in the years to come. Let us remain committed to working collaboratively and innovatively to ensure more success in the future.

FRANKY OESMAN WIDJAJA
CHAIRMAN AND CHIEF EXECUTIVE OFFICER

17 March 2023

BUSINESS STRATEGY


Photo by Tengku Imam Saputra

CAPITALISING ON ROBUST GLOBAL DEMAND OF PALM OIL

Natural food is a critical element of human well-being, to make people live healthily on a sustainable earth. Palm oil is one of the important food ingredients that has seen increasing consumption to serve everyday needs of a growing global population for decades.

Palm oil's essential role is supported by its inherent competitiveness as a vegetable oil, i.e.:

+ Palm oil is extremely versatile and can be processed to form a wide range of products with different melting points, consistencies and characteristics, serving a myriad of uses, from food, detergents, cosmetics, to bioenergy.
+ Palm oil is the largest produced vegetable oil in volume with a global production capacity of 87 million tonnes per annum[1]. Even without land expansion, it still has significant room to grow through intensification, by using higher yielding planting materials and by implementing best agronomic practices throughout the industry. This is crucial to support the world food security amidst declining arable land and increasing consumption.
+ Palm oil is also the most efficient vegetable oil to produce in terms of land usage. It contributes around 42 percent of all vegetable oils on only eight percent of the land allocated to oil crops[1]. This high productivity means it has the lowest land utilisation relative to other vegetable oils. It also translates into the lowest cost of production, making it affordable for food industries in developed and emerging economies.
+ Palm oil provides important health and dietary benefits. It is non-GMO and naturally trans-fat free. It is rich in Vitamin E and Pro-Vitamin A as well as suitable for vegans as dairy substitutes.

Aside from existing large demand for products that are affordable and of high quality, consumers' demands are evolving towards health-friendly and sustainably produced products. This trend will ensure palm oil continues to have an important role to play in meeting these new demands.

Our strategy is built on palm oil's competitiveness based on the evolving global consumer preferences. As a soil-to-table agribusiness player, we believe GAR can grow sustainably, capitalising on its capability to produce an extensive portfolio of palm-based products with efficient end-to-end supply chain from sustainable sourcing to global delivery. Emphasising the following four initiatives, GAR aspires to be a leading and innovative integrated agribusiness and food player, with a superior at-scale upstream and resilient value-adding downstream.

1 Including palm kernel oil

BUSINESS STRATEGY

1

MEETING CUSTOMERS' NEEDS

We strengthen our capability by continually employing new technologies in our processing plants to develop an industry-leading portfolio of palm-based value-added products serving the needs of emerging and developed markets for food, oleochemicals and bioenergy. With this capability, GAR is positioned to capture growth as the world's nutrition and health needs evolve.

2

CONTROLLING THE PHYSICAL FLOW OF OUR PRODUCTS

We source quality raw materials from our largest and most productive plantation base in Indonesia and the widest network of third-party suppliers. This is unique to GAR given our proximity and close relationship with third party plantations supported by our traceability to the plantation capability.

We are leveraging our presence in major consuming countries, available distribution channels and transportation options as well as extending our logistics and processing reach to key consuming countries. With our own shipping capacity, we can secure shipping requirements, better control costs and service level, and deliver value-added services to our customers by providing holistic solutions in international transportation. This has supported us to independently secure and widen our market reach as well as realise cost efficiencies in distribution by leveraging operational scale and synergies. Through our supply chain mapping and traceability efforts, we are also able to assure sustainable production practices from the source.

3

EMBRACING SCIENCE AND TECHNOLOGICAL INNOVATION

Science and technological innovation are the main enablers in our strategy execution. We develop in-house technology with the purpose of redesigning and revolutionising our operations to a smart agribusiness equipped with "Industry 4.0" technology. We believe that it is imperative for us to embrace technological advancement to systematically build advantages for our business operations, sustain our superior productivity and cost competitiveness, and remain as one of the leaders in the industry.

GAR has been able to benefit from its large scale by investing in research and development activities both in the upstream and downstream operations.

+ SMART Research Institute, our world-class oil palm research and development centre, creates science-based solutions for high productivity, efficient, and sustainability-focused agronomic practices. It includes formulation of an optimal fertiliser programme based on weather patterns, tree, and soil conditions.
+ Agri-technology including our biotechnology centre relentlessly researches newer generations of higher quality planting materials with important traits such as high yield, and drought and disease resistance through cross-breeding and tissue culture. This supports our endeavours to increase production without utilising more land under cultivation, by replanting old estates with new planting materials to enhance long-term yields.
+ The fats and oils research laboratory at our refinery is where our food technologies help to develop new palm-based products to provide solutions to our customers that increasingly demand healthier and more sustainable alternatives of food products.

To achieve our vision, a dedicated transformation team focuses on combining technology, digitalisation, and artificial intelligence with operational excellence to create new ways of working throughout our operational value chain. This covers estate, mill, refinery, bulking and logistic digitalisation to have a seamless end-to-end process complemented by an analytical dashboard for optimal data-driven decision making.

Complementing our in-house endeavours, investment in and partnership with technology companies are part of our strategy to capitalise in the digital future. It gives access to new ground-breaking technologies that enable us to differentiate ourselves and build unparalleled competitive advantages. Continuing investment in e-logistics and e-commerce technology also plays a critical role as the pathway to build our full-service distribution capability, from end-to-end supply chain management to sales and marketing.

We consistently seek to sustain our cost leadership, bring our operational excellence to the next level and keep GAR at the cutting edge of the palm oil industry.

BUSINESS STRATEGY

4

SUSTAINABILITY AS OUR BUSINESS IMPERATIVE

As an agribusiness player, GAR understands that our long-term success relies on adopting sustainable business practices. At the heart of our approach to sustainability is the GAR Social and Environmental Policy (GSEP). This roadmap embodies our belief that economic growth, social progress and environmental protection can and should go hand-in-hand. It also represents our strong commitment in responsible palm oil production.

In order to meet our sustainability commitments, we recognise we must source our raw materials from suppliers who agree to follow the same high standards of responsible production. Our purpose is not merely to command wider market acceptance and premium pricing of our products, but to promote sustainability at source. We also develop new technology-based means using blockchain mechanism for end-to-end traceability from plantation to end products with customer. We continue to make substantial investments in time and resources to help our supply chain transform and change for the better.

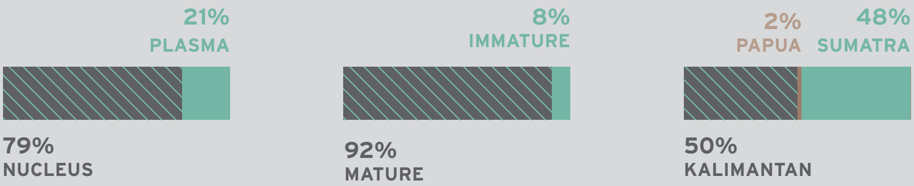
Aside from being able to tell our customers where and from whom we source our raw materials, traceability provides us with a ready-made and invaluable platform for relationship building with our suppliers. Through this, we work with them to transform our supply chain and by extension, the industry.

OPERATIONS REVIEW

Photo by Misael Sinulingga

TOTAL PLANTED AREA

538k
HECTARES



CPO MILLS	PALM PRODUCT OUTPUT	REVENUE	EBITDA
14.4 MILLION TPA	3.1 MILLION MT	2.27 BILLION US$	804 MILLION US$

OPERATIONS REVIEW

Photo by Yudiono

LEADING OIL PALM PLANTATION GROUP IN INDONESIA WITH CONTINUOUS IMPROVEMENT IN OPERATIONAL EXCELLENCE

Golden Agri-Resources Ltd. and its subsidiaries (GAR or the Company) is the leading oil palm plantation group in Indonesia with estates spanning from east to west across the archipelago. At the end of 2022, the Company managed oil palm estates with total planted area of 537,697 of which 79 percent of estates owned by GAR (called 'nucleus') and 21 percent of estates owned by smallholders (called 'plasma').

PLANTATIONS BY AGE PROFILE

	HECTARES	%
Immature 0-3 YEARS	40,344	8
Young 4-6 YEARS	53,964	10
Prime 1 7-18 YEARS	249,222	46
Prime 2 19-25 YEARS	77,700	14
Old >25 YEARS	116,467	22

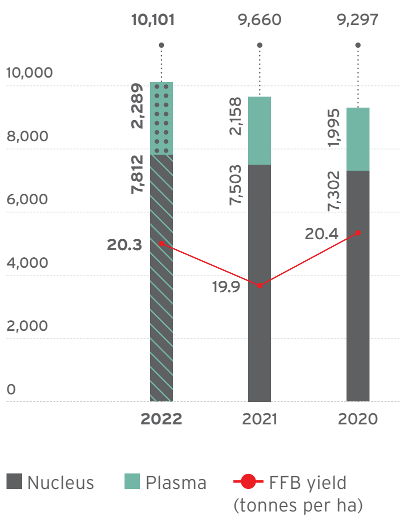
Of the 537,697 planted hectares, 60 percent was in the prime age segment of 7 to 25 years that generates the highest yields. Due to our accelerated replanting programme over the past few years, the immature and young age segments of up to 6 years totalled 94,308 hectares, growing by three percent from the previous year. The replanted and younger estates use next-generation, higher-yielding planting materials that will further boost the growth of GAR's production in the future. Replanting during the current year expanded to 17,300 hectares, further sustaining the average age of our estates at 16 years and providing a solid foundation for GAR's near to medium term growth.

GAR's estates are among the largest and best managed plantations in the industry with leading productivity and cost efficiency. Our large-scale operations are well supported by an advanced information technology system that enables management to make decisions with complete factual input in a timely manner and to gather highly detailed information as if on-site at each of our plantations.

For the past few years, GAR has been developing in-house technology with the purpose of revolutionising its operations by redesigning into a smart agribusiness equipped with "Industry 4.0" technology, enabling the Company to sustain its superior productivity and cost competitiveness into the future.

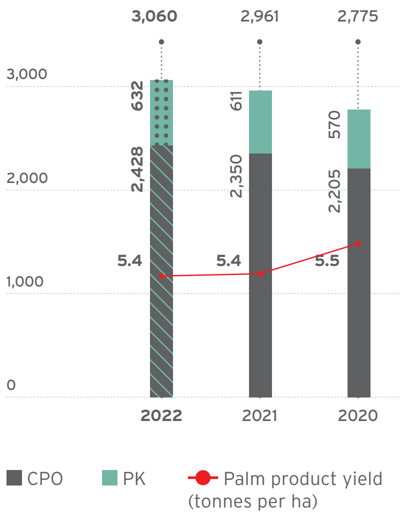
FRESH FRUIT BUNCH OUTPUT

'000 tonnes, except for FFB yield



PALM PRODUCT OUTPUT

'000 tonnes, except for palm product yield



The transformation is a gradual process, but its progress is on track. Our newer estates undergo estate field-force enablement, where these estates are designed and equipped with infrastructure needed for effective adoption of mechanisation, automation and other new technologies.

The agronomy side of the plantations is guided by our world-class oil palm research and development centre SMART Research Institute (SMARTRI). SMARTRI plays an essential role in sustaining our high productivity, searching for innovative solutions, and providing recommendations for continual improvement in productivity, efficiency, and environmental sustainability. SMARTRI is accredited with ISO 9001 for quality management and ISO 17025 for excellent implementation of general requirements for testing and calibrating laboratories.

RECORD PLANTATION OUTPUT IN 2022

Despite heavy rainfalls in 2022, harvested fresh fruit bunches (FFB) grew by five percent to 10.1 million tonnes with an average fruit yield of 20.3 tonnes per hectare. The harvested FFB are processed in owned milling facilities, which are strategically located near the plantations, to produce CPO and palm kernel (PK). GAR operates 49 mills with a combined installed annual capacity of 14.4 million tonnes.

OPERATIONS REVIEW

Increased FFB production coupled with larger volume of FFB purchased from third parties resulted in a record palm product output of the mills to 3.1 million tonnes, comprising 2.4 million tonnes of CPO and 632 thousand tonnes of PK. Average palm product yield remained stable at 5.4 tonnes per hectare, with oil and kernel extraction rates standing at 21.0 percent and 5.5 percent, respectively. With best-in-class plantation management, our estate performance metrics are above the industry average.

PLANTATION INVESTMENT IN LIBERIA

We have invested in Africa through The Verdant Fund LP, a private equity fund that owns Golden Veroleum (Liberia) Inc (GVL). The Liberian government has granted GVL a concession to develop land for oil palm plantations. As of 31 December 2022, GVL's planted area stood at approximately 19,000 hectares and included a palm oil mill. GVL follows sustainable development practices as laid out in the GAR Social and Environmental Policy. GVL is also a member of the Roundtable of Sustainable Palm Oil and adheres to its Principles and Criteria.

The operations of GVL remain adversely impacted by the continuing poor state of supporting infrastructure and supply chain issues, which has resulted in below standard yields and higher production cost. Liberia's economic performance has struggled since the devastating Ebola outbreak in 2014. With the COVID-19 pandemic, Liberia's overall economic condition has further deteriorated. We continue to explore options to improve GVL's performance against the backdrop of the current economic, infrastructure and supply chain challenges.

Photo by Dhika Prasetya

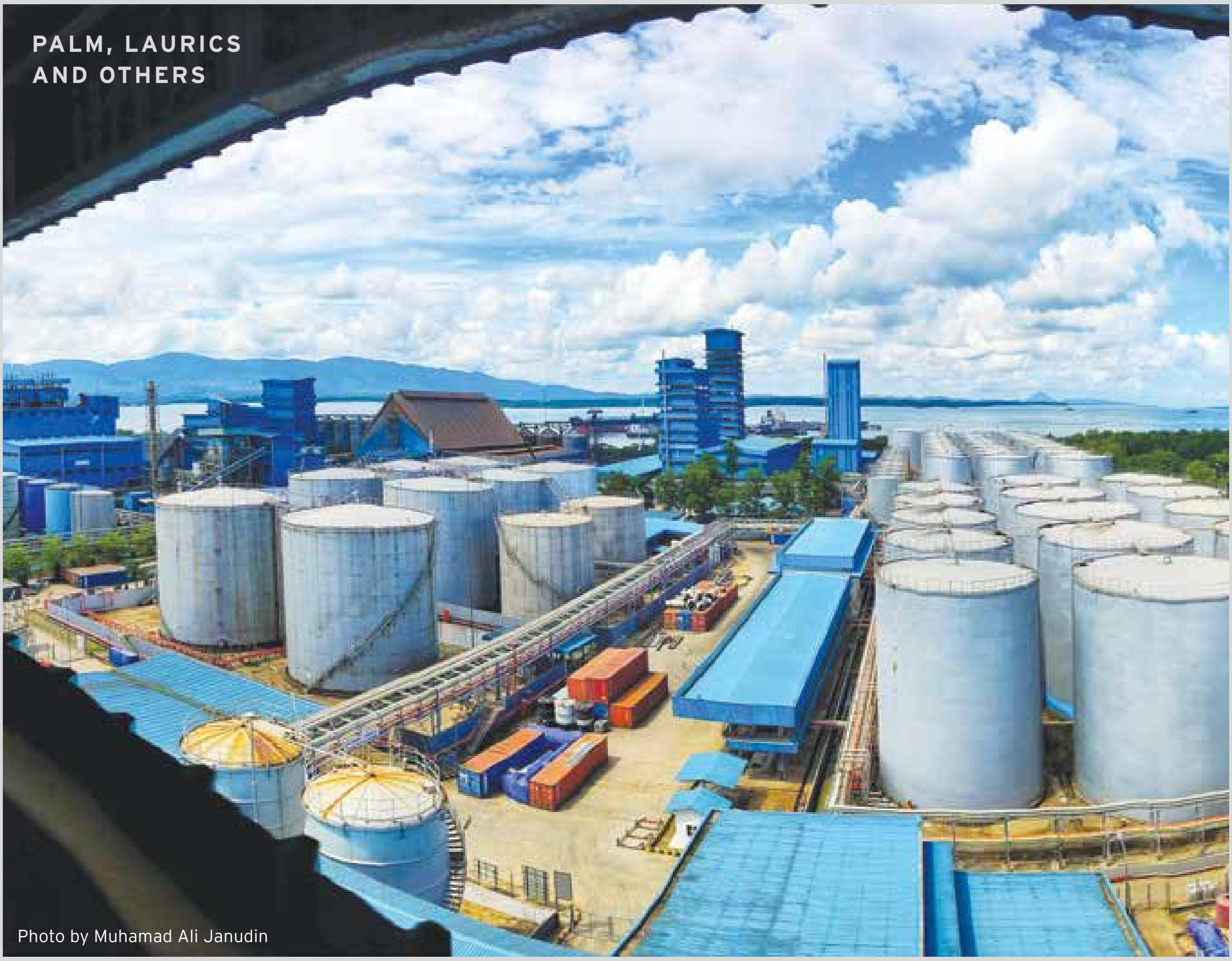


Photo by Muhamad Ali Janudin

REFINERIES	KERNEL CRUSHING PLANTS	BIODIESEL PLANTS	OLEOCHEMICAL PLANTS	DESTINATION REFINING
4.98 MILLION TPA	1.76 MILLION TPA	1.05 MILLION TPA	440 THOUSAND TPA	1.04 MILLION TPA

SALES VOLUME	PRODUCE	MARKET
9.7 MILLION MT	>30 CONSUMER BRANDS	>100 COUNTRIES

REVENUE	EBITDA
11.37 BILLION US$	1.02 BILLION US$

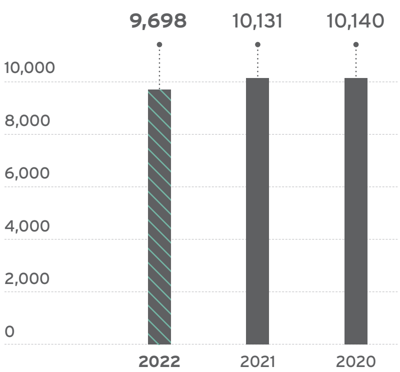
OPERATIONS REVIEW

EFFICIENT AND TRACEABLE SOURCING, END-TO-END PROCESSING AND DISTRIBUTION FACILITIES

Most of the CPO and PK produced are further processed in GAR's end-to-end processing facilities, which employ advanced technology to be able to produce an extensive portfolio of products. The facilities are strategically located in Indonesia; close to ports, consumer markets, and our plantations. They are also supported by efficient and traceable sourcing of raw materials from our own plantations and third parties. Most of these facilities have been acknowledged for their quality both domestically and internationally, and accredited by certifications such as ISO 22000, FSSC, KOSHER, GMP+B2, RSPO, ISCC, Halal and many others.

SALES VOLUME OF PALM, LAURICS & OTHER SEGMENTS

'000 tonnes

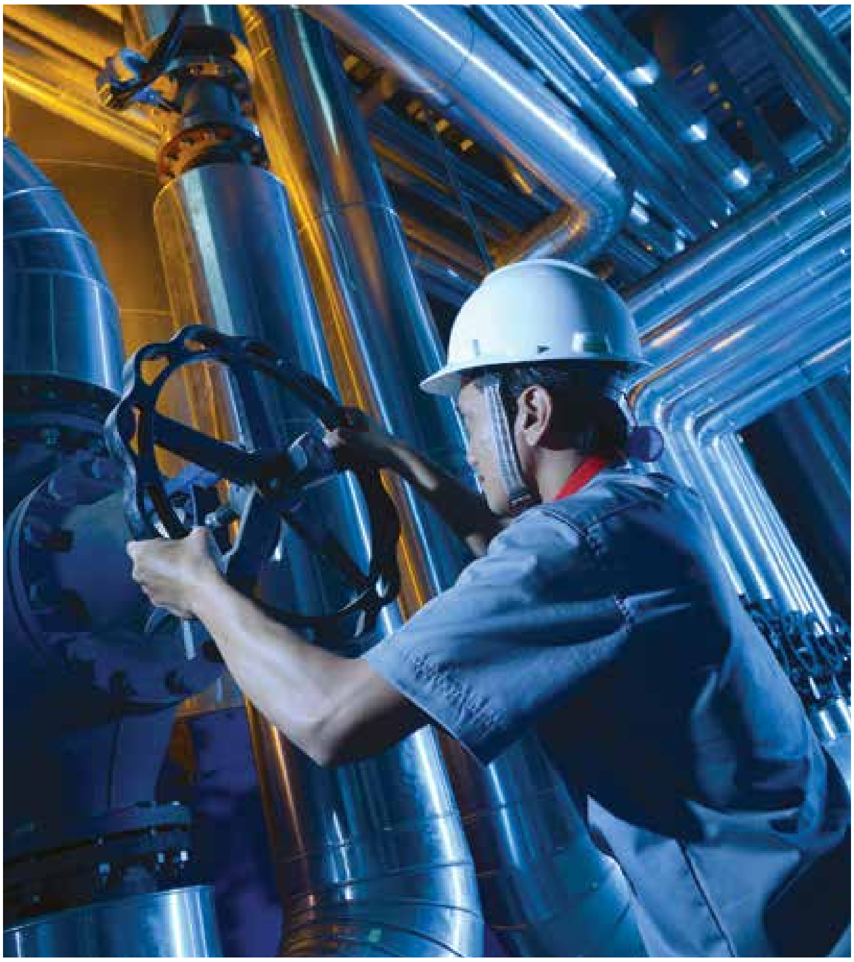


We operated a total of almost five million tonnes per annum refineries and 1.76 million tonnes per annum kernel crushing plants in Indonesia. During the current year, our refineries ran at full capacity whilst the kernel crushing plants ran at 88 percent utilisation. Our biodiesel plants maintained full utilisation of their 600 thousand tonnes annual capacity, contributing to the fulfilment of the B30 biodiesel mandate in Indonesia during 2022. At the end of the year, we completed the expansion of our biodiesel plant in South Kalimantan with additional capacity of 450 thousand tonnes.

This brought total annual capacity of our biodiesel plants to 1.05 million tonnes, ready to serve the increasing Indonesia biodiesel mandates in years ahead.

Including our joint venture with CEPSA Quimica, S.A., our 440 thousand tonnes oleochemical plants produce fatty acids, fatty alcohol, and glycerine supported by many international certifications.

GAR has been able to meet the various requirements of customers by offering an extensive portfolio of derivative palm products in terms of formulations, quality specifications, and sustainability certifications.



OFFERING CUSTOMER SOLUTIONS WITH BROAD PRODUCT PORTFOLIO AND DESTINATION SHIPMENTS

We market our products in bulk, industrial and branded form, domestically as well as in international markets. Including the soybean and sunflower oil business in China and India, total volume handled during 2022 stood at 9.7 million tonnes, a slight decrease from the previous year as affected by the temporary export ban in Indonesia. Our ability to produce a broad product portfolio and being equipped with global logistic capabilities and ex-tank operations in many destination countries has helped us to continue serving our international customers. We even achieved record earnings despite of the volatile market environments during the current year.

Our research and development plays an important role in developing new product alternatives to meet evolving customer preferences towards health-friendly and sustainability-produced products. We continually extend our capabilities and shift the product mix to higher value-added products. Our refineries are equipped to produce low 3-MCPD (3-monochloropropane-diol) esters and low GE (glycidyl esters) refined products.

Photo by Benie Christian Sembiring

FILMA
Palmboom
MENARA
mitra
SMARTBaker
i-soc
旗舰 FLAGSHIP
海鸥 SEAGULL
PALMVITA
First Klass
RED ROSE
Kunci Mas
Freedom Healthy Cooking Oils
Masku

In the local Indonesia market, we have consolidated our efforts to better position and expand distribution coverage of our branded products. For cooking oils, we comply with the Indonesian Government's policy related to domestic market obligation, not only with our own brands but also the Government's Minyakita brand. This is part of our effort to support the country's availability of cooking oils at affordable prices. For the industrial market, we have focused on margarine, shortening and specialty fats, as well as strengthening our relationships with customers to produce better margin.

OPERATIONS REVIEW

For our biodiesel product, we received additional volume allocation for the Indonesian B30 mandate totaling 855 thousand kilo litres during 2022 considering our good track record in delivery of biodiesel domestically.

For year 2023, the Government has increased its biodiesel blending mandate to B35 starting February. With our newly completed additional capacity, the biodiesel volume allocated to GAR is further expanded by 24 percent to over 1.0 million kilo litres in 2023.

In the international markets, we have brought our products to over 100 countries with emphasis on the growing markets in Europe, China, India, Pakistan, the Middle East and the United States. We mostly sold in bulk, in addition to industrial and branded products.

We manage our fleet supported with efficient logistic and distribution infrastructure, including strategically located bulking stations, warehouses as well as owned jetty and port facilities. Golden-Agri Maritime (GM) is our chartering arm that manages transportation needs for international trade.

GM, together with our joint ventures: Golden-Agri Stena, GSB Tankers, and Sinar Mas LDA Maritime play a significant role in extending our distribution and logistics capabilities to supply our products to consumers domestically and worldwide. With international sales representative offices and ex-tank operations in many large consuming countries, our destination sales contributed 74 percent to our export volume during 2022.

Photo by Novi Irawan

To fulfil the demand from the two largest consumers of edible oils, China and India, we have destination processing in both countries. In Ningbo, China, GAR operates a crushing facility with an annual capacity of 809 thousand tonnes producing soybean meal and crude soybean oil that is, in turn, processed in our 175 thousand tonnes refinery together with other vegetable oils, mainly palm oil. GAR also operates a deep-sea port and storage facility for oils and grains, which performed well during the current year. In India, GAR operates three refineries with total capacity of 863 thousand tonnes per annum. The refined products are sold locally in the southern part of India and Odisha, under reputable brands through an extensive and well-established distribution network.

Our downstream operations are judiciously managed through a centralised and independent risk management team supporting clear governance. The risk management team follows a prudent and systematic approach to market risk management in line with industry best practices.

FINANCIAL REVIEW

REVENUE

+12%

US$11.44 BILLION

EBITDA

+50%

US$1.83 BILLION

NET PROFIT

+64%

US$782 MILLION

DEBT TO EQUITY

0.57x

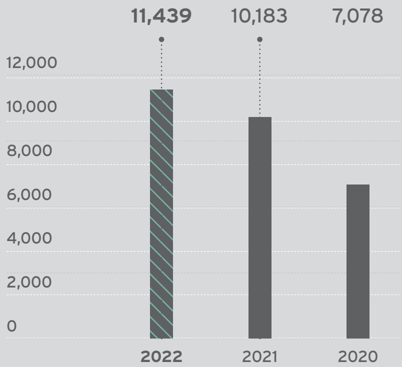
NET DEBT TO EBITDA

0.08x

Golden Agri-Resources Ltd and its subsidiaries (GAR or the Company) achieved a consecutive set of record results for financial year 2022 (FY2022), underpinned by robust upstream and exceptional downstream performance. Top line revenue increased by 12 percent year on year to reach a new all-time high of US$11.44 billion. Current year's excellent performance was also demonstrated by record achievements in EBITDA[2] and underlying profit[3] to US$1.83 billion and US$922 million, respectively, followed by strong growth in net profit attributable to owners of the Company by 64 percent to US$782 million. This robust performance resulted from sustained high palm oil market prices, record production output and excellent execution of our downstream business strategies.

GAR's financial position as at 31 December 2022 strengthened further supported by excellent financial performance and the Company's prudent management. Total consolidated assets grew to US$9.90 billion and gearing ratio (debt to equity) improved to 0.57 times, while net debt[4] to EBITDA reached a record low of 0.08 times.

REVENUE
US$ million



SEGMENTAL PERFORMANCE

Plantations and Palm Oil Mills

The plantation and palm oil mills segment posted a four percent increase in revenue to US$2.27 billion, driven by the strengthening of CPO market prices and higher palm product output during the year. Offset by higher input costs, primarily fertiliser costs, and allocated loss from changes in fair value of certain financial assets during the year, the segment delivered a record high EBITDA of US$804 million with a stable margin of 35.5 percent.

2 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

3 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, exceptional items, foreign exchange gain or loss and deferred tax income or expense

4 Total borrowings less cash and cash equivalents, short-term investments and liquid working capital

FINANCIAL REVIEW

Palm, Laurics and Others

The 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.

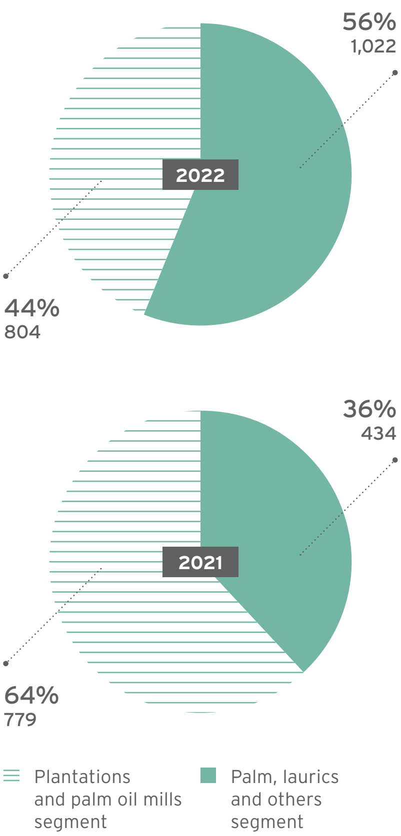
Revenue from this segment increased by 12 percent to US$11.37 billion during FY2022, largely due to higher selling prices which more than offset lower sales volume as affected by the temporary export ban in Indonesia. Despite the allocated loss from changes in fair value of certain financial assets to the segment, EBITDA achievement in the current year was exceptional at US$1.02 billion with significant margin improvement of 9.0 percent from 4.3 percent previously. This excellent performance resulted from optimal utilisation of our integrated business model, supported by more favourable market conditions in the second half of the year.

OPERATING EXPENSES

Operating expenses were slightly lower than in the prior year at US$1.57 billion contributed from both selling and general and administrative expenses. Selling expenses saw a three percent decrease to US$1.23 billion due to lower export tax and levy charged in Indonesia especially in the second half of the year, offset by higher freight costs. Meanwhile, general and administrative expenses were five percent lower at US$337 million primarily attributable to decrease in depreciation and amortisation expenses.

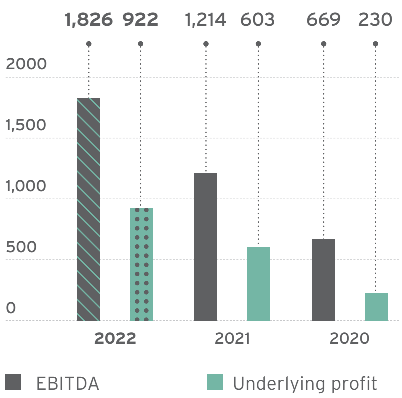
EBITDA BY SEGMENT

US$ million



EBITDA AND UNDERLYING PROFIT

US$ million



Note:
EBITDA and underlying profit include fair value gain or loss on financial assets in accordance with IFRS 9

FINANCIAL EXPENSES, NET

As compared to the prior year, net financial expenses increased from US$142 million to US$153 million mainly due to higher cost of funds during the year resulting from higher US Dollar (USD) interest rates and more Indonesian Rupiah (IDR) denominated borrowings.

SHARE OF RESULTS OF JOINT VENTURES, NET

GAR recorded an increase in share of profit of joint ventures of US$71 million in the current year from US$34 million in the previous year. This was mainly attributable to the improved operating performance in a joint venture during FY2022.

FOREIGN EXCHANGE GAIN, NET

GAR recorded a net foreign exchange gain of US$6 million in FY2022 as compared to US$32 million in the previous year. The current year's gain was mainly attributable to foreign exchange translation gain arising from IDR denominated monetary balances and fair value gain on forward foreign currency contracts entered to hedge the currency exposure.

OTHER (EXPENSE)/INCOME, NET

GAR recorded net other expenses of US$148 million in the current year as opposed to net other income of US$69 million in the previous year. This fluctuation was mainly due to fair value losses of financial assets and biological assets totalling US$228 million recognised in the current year compared to fair value gain of US$49 million in FY2021. This was partially offset with increase in dividend income of US$45 million received from our investment.

EXCEPTIONAL ITEM

Current year's exceptional loss of US$409 thousand was related to impairment loss made on certain fixed assets in China.

INCOME TAX

Net income tax expense increased to US$388 million in FY2022 compared to US$199 million in the previous year mainly due to higher taxable profit in certain subsidiaries during the year.

NET PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

GAR recorded US$922 million of underlying profit in FY2022, 53 percent higher than in the previous year. After including net loss from changes in fair value of biological assets, depreciation of bearer plants, exceptional items, foreign exchange gain, and deferred tax expense, GAR posted a net profit attributable to owners of the Company of US$782 million for the current year, much higher than the US$476 million recorded in the prior year.

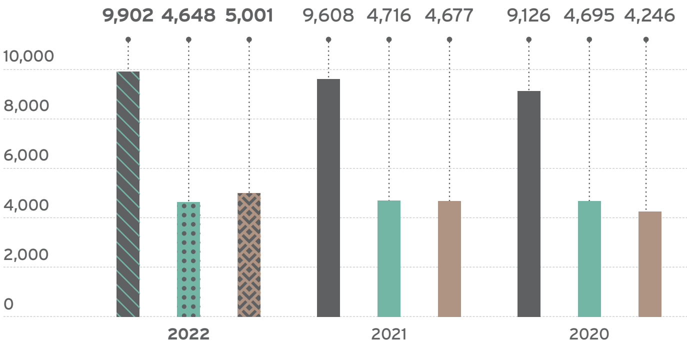
ASSETS

Total assets increased by US$294 million to US$9.90 billion as at end 2022 as compared to US$9.61 billion as at end 2021.

Total current assets increased by US$726 million to US$4.16 billion as at 31 December 2022 primarily due to increase in inventories, higher cash and cash equivalents from better operating performance, as well as higher short-term investments.

ASSETS, LIABILITIES AND EQUITY

US$ million



On the other hand, total non-current assets decreased by US$432 million to US$5.74 billion mainly due to lower long-term investments resulting from fair value loss of the investments recorded during the year.

LIABILITIES

As at 31 December 2022, total liabilities were slightly lower at US$4.65 billion. The decrease in total liabilities was mainly attributable to lower long-term borrowings partially offset by higher short-term borrowings and increase in taxes payable in line with better operating results.

Total borrowings at the end of 2022 (including bonds and notes payables) stood at almost US$3.0 billion, similar to the previous year, with gearing ratio (debt to equity) further strengthening to 0.57 times from 0.61 times previously.

Safeguarding creditors' rights is our priority. During the current year, GAR complied with all borrowing covenants such as certain financial ratios; not to sell and/or transfer collateral to other parties; not to change general nature of business; and other administrative requirements. Payments for interest and principal were made according to schedule.

EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY

Total equity attributable to owners of the Company at the end of 2022 was US$5.00 billion, seven percent higher than as at end of 2021. The increase resulted primarily from the current year's net profit, partially offset by cash dividends paid during FY2022 and fair value reserve from the net fair value loss on financial assets in accordance with International Financial Reporting Standards (IFRS) 9.

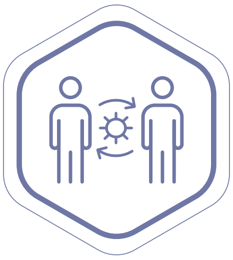
NURTURING TALENT ENABLING BUSINESS GROWTH

HEALTHY AND RIGHT-SIZED ORGANISATION

During 2022, Human Resources expanded its focus with a vision to strengthen our Company as a world-class organisation. We focused on four main agendas during 2022 which includes creating a healthy organisation, developing leaders and talent, as well as building a harmonious industrial relations at the business units. We vigorously work together with all business units to craft thoughtful and impactful programmes. As we nurture talents, our business will grow and expand.

The implementation of Engagement Temperature Check (ETC) action plans that were initiated in 2021 has been successful. The enthusiasm of our employees is evidenced by over 300 action plans established across all functions and business units. We plan to continue this positive trend by launching the second ETC in 2023. With a more refined ETC, we aim for the highest possible participation rate and most critically, full implementation for the Human Resources-related action plans.

With the concept of "Right Man on the Right Job at all time", we collaborate with business units to execute the Job Evaluation project starting with the Upstream business. The results will be used as the basis to shape a right-sized organisation and to complete the Career Pathing Framework on several selected functions as our next focus.



SOLID PLATFORM FOR TALENT MANAGEMENT

We provide a platform for leaders to collectively discuss and drive initiatives in developing talents, named the Talent and Productivity Committee (TPC). This platform enables our leaders to develop action plans for all talents and observe the execution thoroughly. Through a series of sessions in 2022, we continue to update our programme in managing our Top Talents and Potential Successors for critical positions in the organisation. Moving forward, we will focus on their development and career movement within or across business streams.

Furthermore, we have launched a digital Internal Job Posting programme. This programme opens up company-wide opportunities for talents who are keen to look for other challenges besides their current responsibilities. We have also broadened the use of digital Learning Management System for our talent and workforce development programme through Sinar Mas Integrated Learning Environment (SMILE) that will be formally launched in 2023.

EFFECTIVE LEADER AS BUSINESS EXECUTOR AND PEOPLE BUILDER

We acknowledge that stellar leadership capability of our leaders is the most critical factor for a successful talent development. In 2022, we re-designed the Executive Leadership Programme (ELP) that will equip our leaders with various advanced leadership and soft skill trainings. To complete the programme, leaders from various functions and business units harness the strength of collaboration to carry out transformational group projects. We run a similar Leadership and Career Development Programme for various levels of staff as part of our continuing effort to build and institutionalised expertise.

CONSISTENT AND MEASURABLE INDUSTRIAL RELATIONS PRACTICES

We have constantly improved the Company's industrial relations through the implementation of our Industrial Relations Management Assessment (IRMA) programme. This programme serves as one of the preventive actions through identification of potential risks of intrusion or dispute related to industrial relations. Through IRMA, we strive to ensure the compliance to Labor Law and build a harmonious ecosystem of industrial relations at all business units.

The updating of our policies and procedures related to industrial relations have helped us ensure the coherence to the government's policy and increase effectiveness of industrial relation services toward our employees and other related parties.

OUR APPROACH TO SUSTAINABILITY

BOARD STATEMENT

The Board considers sustainability to be an integral part of GAR's long-term strategic direction and is committed to responsible and sustainable practices across all our operations. The Board has the overall responsibility for determining GAR's material ESG topics and overseeing the management and monitoring of GAR's material topics.

The Sustainability Committee (SC) assists and reports to the Board. The SC is a cross-functional entity comprising the senior leadership team across the upstream, downstream and corporate business units. The SC meets quarterly to oversee the development and implementation of GAR's sustainability strategy and to set and monitor goals and targets. The SC is also involved in the regular internal review of our material ESG topics and periodic materiality assessments.

GAR has long been a proponent of sustainable production practices in the palm sector. It was amongst the first to introduce a Zero Burning Policy in the late 1990s and the first Indonesian palm company to launch a Forest Conservation Policy in 2011. In doing so, GAR recognises that its longevity as an agri-business relies on sustainable business and operational practices. GAR recognises the value of protecting the natural environment, which houses rich biodiversity and provides vital ecosystem services. At the same time, the palm oil industry supports economic growth and millions of livelihoods in Indonesia. GAR works actively to balance both realities.

OUR SUSTAINABILITY MILESTONES

- **1997** — First Indonesian palm producer to establish Zero Burning Policy
- **JAN 2005** — GAR/SMART joins RSPO
- **FEB 2010** — Zero development on peat regardless of depth
- **FEB 2011** — GAR launches pioneering Forest Conservation Policy (FCP)
- **MAY 2011** — GAR publishes first Sustainability Report
- **NOV 2011** — GAR launches Social and Community Engagement Policy (SCEP)
- **FEB 2012** — GAR launches Yield Improvement Policy (YIP)
- **MAR 2013** — GAR Implements HCS Forest Conservation Pilot
- **FEB 2014** — GAR's FCP extends to downstream operations
- **SEP 2014** — GAR endorses New York Declaration on Forests
- **MAR 2015** — GAR rolls out updated Social and Environmental Policy (GSEP)
- **MAR 2015** — GAR implements Participatory Mapping as part of FPIC
- **APR 2015** — GAR and HCS Approach Steering Group publish HCS Approach Toolkit
- **NOV 2015** — GAR launches Community Conservation Partnerships
- **NOV 2015** — GAR launches peat rehabilitation project in PT AMNL
- **NOV 2015** — GAR announces Traceability to the Plantation (TTP) Plan
- **NOV 2015** — GAR launches Desa Siaga Api to help villages stay fire-free
- **APR 2016** — GAR completes 100% mapping of supply chain to mills (Traceability to the Mill)
- **JAN 2017** — GAR expands fire-free programme into Desa Makmur Peduli Api
- **APR 2017** — Launch of super high-yielding non-GMO clonals Eka 1 & Eka 2
- **SEP 2017** — GAR debuted on Dow Jones Sustainability Indices until 2018
- **DEC 2017** — GAR-owned mills complete 100% TTP
- **JUN 2018** — GAR debuted on FTSE4Good Index until 2022
- **OCT 2019** — GAR joins & funds RADD deforestation radar monitoring initiative
- **NOV 2021** — GAR signs Agri Commodity Traders Statement of Purpose at COP26
- **NOV 2022** — GAR commits to Agri Sector Roadmap to 1.5°C at COP27

OUR APPROACH TO SUSTAINABILITY

GAR's roadmap is its No Deforestation, No Peat and No Exploitation (NDPE) policy called the GAR Social and Environmental Policy or the GSEP. The GSEP embodies GAR's belief that economic growth, social progress, and environmental protection must go hand-in-hand.

The GSEP establishes firm commitments that support these beliefs, and we have set stretching targets to drive progress. In line with our commitment to continuous improvement, we update our approach to keep up with emerging concerns, as well as global and local trends. We regularly report on our progress against our sustainability commitments in our annual Sustainability Report, on our website as well as through various ESG disclosure platforms. Full details can be found in our Sustainability Report 2022, which will be published at the end of May 2023.

GOVERNANCE

The board and senior management are fully involved in and support GAR's sustainability commitments under the GSEP which includes issues related to environmental management including climate action; social and community engagement; labour and Occupational Health and Safety (OHS); and supply chain. A Sustainability Committee (SC), chaired by Ms. Jesslyne Widjaja, Executive Director, Business Strategy, People and Transformation, oversees all matters related to responsible business. The cross-functional SC comprises the senior leadership team from the upstream, downstream and corporate business units as well as the Chief Sustainability and Communications Officer (CSCO) and other staff members of the Sustainability and Communications Division.

The SC reports directly to the Chairman and CEO and the Board and meets quarterly to oversee the development, implementation and monitoring of the GSEP and our performance across all our business operations. The CSCO also attends all Board meetings to keep the members updated on the latest sustainability issues and progress.

Over the years, we have continued to invest additional resources to embed responsible palm practices in our day-to-day operations. Over 350 staff in Jakarta and the operational units work to plan, oversee and implement our sustainability measures. We employ specialists to handle key areas such as conflict resolution, forest conservation, fire prevention, community consent (FPIC), grievance management and health and safety. The Sustainability and Communications Division and the Operational Sustainability Division also work with colleagues in Human Resources on labour issues to ensure fair labour practices are upheld, in line with the GSEP.

Photo by Nugroho Wahyu Widianto


Photo by Sherly

MATERIALITY

In 2021, we worked with a specialist sustainability consultancy to review our material sustainability topics. This process covered our entire value chain and built on from our previous in-depth materiality assessment last conducted in 2017. We followed a three-stage approach including topic identification; stakeholder engagement; and analysis and validation.

The results of our assessment revealed that topics including Fire and Haze, High Carbon Stock (HCS) forests and High Conservation Value (HCV) areas, and Labour relations and human rights continue to be a priority for GAR and our stakeholders. Climate change adaptation and waste have also gone up in relative importance. In addition, we also identified two new topics, Energy and Cybersecurity and Data Protection.

For more information on our materiality assessment, see our website.

Full details of our sustainability initiatives and progress to address our material issues can be found in our Sustainability Report 2022 which will be published in May 2023.

GAR'S MATERIAL SUSTAINABILITY TOPICS

PRIORITY ESG TOPICS

Topics of highest importance to our stakeholders and greatest importance for GAR operating performance and enterprise value.

+ Climate change adaptation
+ Community relations and empowerment
+ Corporate governance, ethics and integrity
+ Fire and haze
+ Greenhouse gas (GHG) emissions
+ High Carbon Stock (HCS) forests and High Conservation Value (HCV) areas
+ Labour relations and human rights
+ Occupational health & safety and employee well-being
+ Rights of communities and Indigenous Peoples
+ Supplier inclusiveness and smallholder livelihoods
+ Supply chain traceability and transformation
+ Women, diversity and inclusion
+ Yield Improvement

RELEVANT ESG TOPICS

Topics important for some of our stakeholders and with moderate importance to our operating performance and enterprise value.

+ Cybersecurity and data protection
+ Energy
+ Product quality and safety
+ Talent attraction, retention and development
+ Use of fertilisers, pesticides and chemicals
+ Waste
+ Water

BOARD OF DIRECTORS

FRANKY OESMAN WIDJAJA

Chairman and Chief Executive Officer

Mr. Franky Widjaja is the Chairman and Chief Executive Officer of Golden Agri-Resources Ltd ("GAR") and a member of its Nominating and Remuneration Committees. He has been a Director and Chief Executive Officer of GAR since 1996; and Chairman since 2000. His last re-appointment as Director was in 2022.

Mr. Franky Widjaja, aged 65, graduated from Aoyama Gakuin University, Japan with a Bachelor's degree in Commerce in 1979. He has extensive management and operational experience, and since 1982, been involved with different businesses including pulp and paper, property, chemical, telecommunication, financial services and agriculture.

Mr. Franky Widjaja also sits on the board of directors of Sinarmas Land Limited ("SML") and Bund Center Investment Ltd ("BCI"), both listed on the Official List of the Singapore Exchange Securities Trading Limited. He serves as Director of SML since 1997; Executive Chairman of SML since 2006; and Director of BCI since 2009.

Mr. Franky Widjaja is a member of the boards of several subsidiaries of GAR, SML and BCI. Since 2003, he has been the President Commissioner of PT Sinar Mas Agro Resources and Technology Tbk, a subsidiary of GAR listed on the Indonesia Stock Exchange.

Currently, Mr. Franky Widjaja is Co-Chairman of Partnership for Indonesia's Sustainable Agriculture (PISAgro); Vice Chairman, Coordinator for Economic Affairs of Indonesian Chamber of Commerce and Industry (KADIN); a member of the Advisory Board of Indonesian Palm Oil Association (GAPKI); a member of Grow Asia Business Council; and a member of World Economic Forum ("WEF"): Global Agenda Trustee for World Food Security and Agriculture Sector. Mr. Franky Widjaja was Co-Chair of WEF: Grow Asia until August 2019.

Previously, from 2007 to 2015, Mr. Franky Widjaja was Vice President Commissioner of PT Bumi Serpong Damai Tbk and PT Duta Pertiwi Tbk; and he was also Vice President Commissioner of PT Puradelta Lestari Tbk until his resignation in May 2016, all subsidiaries of SML listed on the Indonesia Stock Exchange.

Present directorships in other Singapore listed companies:

+ Bund Center Investment Ltd
+ Sinarmas Land Limited

Other principal commitments: Nil

Past directorships in other Singapore listed companies (2020 – 2022): Nil

MUKTAR WIDJAJA

Executive Director and President

RAFAEL BUHAY CONCEPCION, JR.

Executive Director and Chief Financial Officer

Mr. Muktar Widjaja is an Executive Director and President of GAR. He has been a Director since 1999; President since 2000; and was re-designated as Executive Director and President on 1 March 2018. He was Non-Executive Director from December 2006 to 28 February 2018. His last re-appointment as Director was in 2021.

Mr. Muktar Widjaja, aged 68, obtained his Bachelor of Commerce degree in 1976 from the University Concordia, Canada. Since 1983, Mr. Muktar Widjaja has been actively involved in the management and operations of the property, financial services, agriculture, chemical and pulp and paper businesses.

Mr. Muktar Widjaja is currently an Executive Director and Chief Executive Officer of SML, listed on the Official List of the Singapore Exchange Securities Trading Limited. Mr. Muktar Widjaja is also a member of the boards of several subsidiaries of GAR and SML. He is Vice President Commissioner of PT Sinar Mas Agro Resources and Technology Tbk, a subsidiary of GAR listed on the Indonesia Stock Exchange. He is the President Commissioner of PT Bumi Serpong Damai Tbk, PT Duta Pertiwi Tbk and PT Puradelta Lestari Tbk, all subsidiaries of SML listed on the Indonesia Stock Exchange.

Present directorships in other Singapore listed companies:

+ Sinarmas Land Limited

Other principal commitments: Nil

Past directorships in other Singapore listed companies (2020 – 2022): Nil

Mr. Rafael Buhay Concepcion, Jr. is an Executive Director and the Chief Financial Officer of GAR. He was appointed as Director of GAR in August 2002 and as its Chief Financial Officer in January 2013. His last re-appointment as Director was in 2022.

Mr. Concepcion, aged 56, holds an MBA from Asian Institute of Management, Philippines; and Bachelor of Science in Economics from the University of the Philippines.

Mr. Concepcion worked on regional projects and has extensive experience in corporate and financial planning. He joined PT Sinar Mas Agro Resources and Technology Tbk, a subsidiary of GAR listed on the Indonesia Stock Exchange in 1997, and now holds the position of Vice President Commissioner. Prior to that he worked with Pilipinas Shell Petroleum Corporation for 5 years. Currently Mr. Concepcion also sits on the boards of several subsidiaries of GAR.

Present directorships in other Singapore listed companies: Nil

Other principal commitments: Nil

Past directorships in other Singapore listed companies (2020 – 2022): Nil

BOARD OF DIRECTORS

CHRISTIAN G H GAUTIER DE CHARNACÉ

Non-Executive Independent Director

Mr. Christian G H Gautier De Charnacé is an Independent Director of GAR, Chairman of its Audit Committee and Nominating Committee and a member of its Remuneration Committee. Mr. Gautier De Charnacé joined the Board of Directors of GAR in November 2018, and his last re-appointment as Director was in 2022.

Mr. Gautier De Charnacé, aged 73, graduated from Institut d' Etudes Politiques de Paris in Economy and Finance, and he also holds a Bachelor's degree from the University of Law in Paris.

Mr. Gautier De Charnacé currently sits on the Board of Directors of Hong Leong Finance Limited as an Independent Non-Executive Director, and on the Board of Commissioners of PT BNP Paribas Sekuritas Indonesia as an independent President Commissioner. He was an Independent Non-Executive Director on the Board of Directors of Millenium & Copthorne Hotels PLC till 10 October 2019 before it was delisted from the London Stock Exchange on 11 October 2019.

Mr. Gautier De Charnacé was CEO Investment Banking Asia Pacific at BNP Paribas Bank ("BNP") prior to retiring in 2017, having held that position since 2013. He was with BNP since 1980. When he was with BNP, he was Head of Paribas branches and region in Seoul, Taipei and Los Angeles / Western US region (1980 - 1990); Managing Director and Head of Asia Pacific region based in Paris (1991 - 1993); Managing Director and successively Head of Capital Markets and Corporate Finance for Asia Pacific based in London, Singapore, Hong Kong, Tokyo and Hong Kong (1993 - 2013). Mr. Gautier De Charnacé started his career in banking at Bank of America and he was Vice President of Multinational Division Paris and Houston (1973 to 1980).

Present directorships in other Singapore listed companies:

+ Hong Leong Finance Limited

Other principal commitments:

+ Independent President Commissioner of PT BNP Paribas Sekuritas Indonesia

Past directorships in other Singapore listed companies (2020 – 2022): Nil

WILLY SHEE PING YAH @ SHEE PING YAN

Non-Executive Lead Independent Director

SOH HANG KWANG

Non-Executive Independent Director

Mr. Willy Shee Ping Yah @ Shee Ping Yan is the Lead Independent Director of GAR, Chairman of its Remuneration Committee and a member of its Audit Committee and Nominating Committee. He was appointed on 1 January 2022 and his last re-appointment as Director was in 2022.

Mr. Shee, aged 74, holds a Diploma in Urban Valuation from the University of Auckland, New Zealand (under the Colombo Plan Scholarship 1968-70). He is a fellow member of the Singapore Institute of Surveyors and Valuers, a fellow member of the Singapore Institute of Directors and sits on the Panel for Inquiry Committee, Law Society of Singapore. He is also a Committee Member / Honorary Secretary of Singapore Turf Club.

Mr. Shee is currently Senior Advisor to CBRE Pte Ltd in a nonexecutive role since July 2016, after stepping down as the Chairman, Asia of CBRE Pte Ltd with oversight over the operations of all the offices of CBRE in Asia, a position which he held from 1 July 2005 to 30 June 2016. From 1991 to June 2005, Mr. Shee was the managing director of CB Richard Ellis (Pte) Ltd, Singapore office, and was responsible for its growth and overall operations.

Present directorships in other Singapore listed companies:

+ Bund Center Investment Ltd
+ Sinarmas Land Limited

Other principal commitments:

+ CBRE Pte Ltd (Senior Advisor)

Past directorships in other Singapore listed companies (2020 – 2022):

+ Sabana Real Estate Investment Management Pte Ltd (as Manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust)

Mr. Soh Hang Kwang is an Independent Director of GAR and a member of its Audit Committee. He was appointed on 1 January 2022 and his last re-appointment as Director was in 2022.

Mr. Soh, aged 64, graduated from The National University of Singapore with a Degree of Bachelor of Accountancy in 1983. He was previously an independent director of Neuberger Berman (China) before stepping down on 30 June 2022.

Mr. Soh was with Rabobank ("Rabobank") from January 2010 to December 2020. He was Chief Executive Officer ("CEO"), Rabobank Singapore (2010 to 2011); and CEO, Rabobank Hong Kong (2011 to 2012). His most recent position in Rabobank was Vice Chairman and Regional Head Global Corporate Clients Asia, a post he held since 2012 before retiring in December 2020. Before joining Rabobank, he has held senior roles in Royal Bank of Scotland (2003 to 2009); Citigroup (2000 to 2002); and ABN-AMRO Bank (1986 to 2000). Mr. Soh started his career with Chemical Bank (1983 to 1986) as a Management Associate in New York; and then as Deputy Representative in Indonesia.

Present directorships in other Singapore listed companies: Nil

Other principal commitments: Nil

Past directorships in other Singapore listed companies (2020 – 2022): Nil

BOARD OF DIRECTORS

KHEMRAJ SHARMA SEWRAZ

Non-Executive Independent Director

MARIE CLAIRE GOOLAM HOSSEN

Non-Executive Independent Director

Mr. Khemraj Sharma Sewraz is an Independent Director of GAR. He was appointed on 15 November 2019 and his last re-appointment as Director was in 2022.

Mr. Sewraz, aged 72, is a fellow member of the Chartered Association of Certified Accountants (FCCA), and a member of the Society of Trusts and Estate Practitioners (STEP). He trained and worked in London, and has over 30 years' experience in the audit, tax and advisory fields.

Since August 1989, Mr. Sewraz is the Managing Partner of Crowe ATA, Mauritius, which provides professional services. He is also a Director of Crowe Mozambique Limitada, Chexsys Consulting Ltd and HS Corporate Services Ltd.

Present directorships in other Singapore listed companies: Nil

Other principal commitments:

+ Managing Partner of Crowe ATA, Mauritius
+ Crowe Mozambique Limitada
+ Chexsys Consulting Ltd
+ HS Corporate Services Ltd

Past directorships in other Singapore listed companies (2020 – 2022): Nil

Ms. Marie Claire Goolam Hossen is an Independent Director of GAR. She was appointed on 29 April 2021 and her last re-appointment as Director was in 2022.

Ms. Marie Claire, aged 52, a Certified Practising Accountant, is a member of CPA Australia, the Mauritius Institute of Professional Accountants, an associate member of the Governance Institute of Australia and a fellow member of the Mauritius Institute of Directors. She obtained her Bachelor of Business – Banking & Finance from Monash University, Melbourne, Australia in 1993.

Ms. Marie Claire has a combination of commercial experience in the financial services (global business) of Mauritius and in senior finance/accounting roles in Australia.

Presently, Ms. Marie Claire is the Group Finance Manager of Elta Group (Asia Pacific) Pty Ltd, a privately held company in Australia since mid-August 2021. She is fluent in both English and French.

Present directorships in other Singapore listed companies: Nil

Other principal commitments:

+ Group Finance Manager of Elta Group (Asia Pacific) Pty Ltd

Past directorships in other Singapore listed companies (2020 – 2022): Nil

EXECUTIVE LEADERSHIP

Chairman and Chief Executive Officer

FRANKY OESMAN WIDJAJA

Executive Director and Chief Financial Officer

RAFAEL BUHAY CONCEPCION, JR.

Chief Operating Officer

KETTINGER ANTHONY LEE

Executive Director, Business Strategy, People and Transformation

JESSLYNE WIDJAJA

Deputy Chief Financial Officer

CHEN SAU HUA

Head, Controllership and Compliance
Acting Chief Human Resources Officer

PEDY HARIANTO

Chief Sustainability and Communications Officer

ANITA NEVILLE

Chief Information Officer

KHOO KOK YEOW

Head, Upstream Operations

IRWAN TIRTARIYADI

Head, Downstream Operations

PAUL JOHN HICKMAN

Managing Director, Upstream Operations

THE BIAO LING

Special Advisor for Downstream

HEMANT BHATT

Senior Advisor for Sustainability

AGUS PURNOMO

ENTERPRISE RISK MANAGEMENT

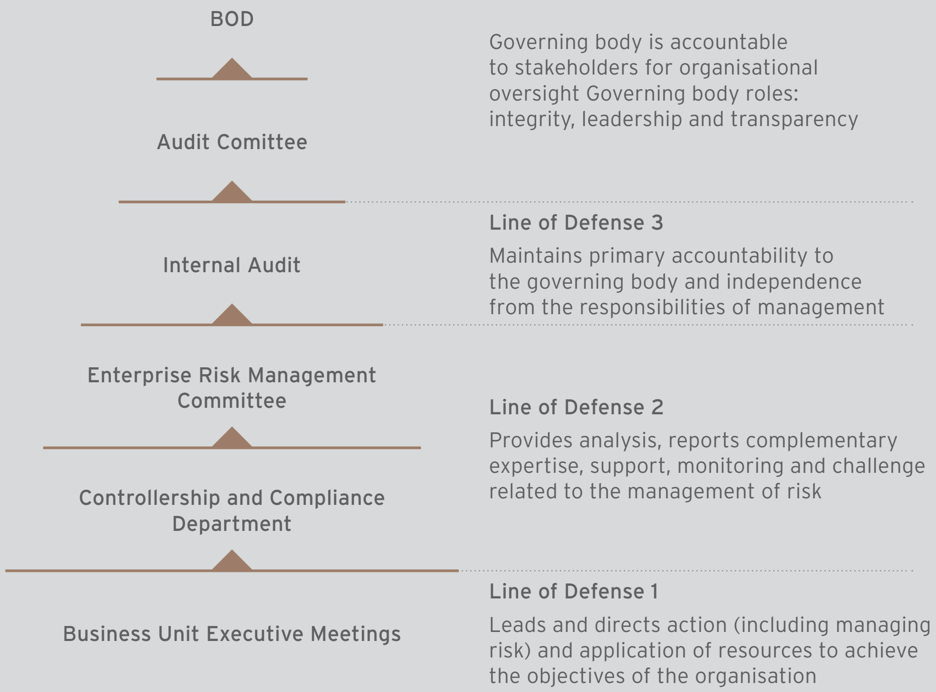
Risk management is a key component of the Company's decision-making process in a changing business environment. Enterprise Risk Management (ERM) enables the Company to build resiliency and sustainability. It is an evolving process that requires constant monitoring as the Company grows. Whilst even the most comprehensive system of risk management and internal controls cannot fully eliminate all risks, the framework enhances the Company's understanding and articulation of risk-reward trade-offs for decision making that is commensurate with its risk tolerance.

The Board of Directors of the Company (Board) is ultimately responsible for the governance and oversight of risk by ensuring that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Company's assets. It determines the nature and extent of the significant risks the Board is willing to take in achieving strategic objectives. The Audit Committee assists the Board in carrying out its responsibility for risk management and internal controls.

The ERM Committee (ERMC) assists Management in its role of managing risks, as part of the Company's efforts to strengthen the risk management processes and enable accountability for its adequacy and effectiveness.

The ERMC currently comprises of six senior Management. They are the Chairman and Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Head of Upstream Operations, Head of Downstream Operations, and Head of Controllership and Compliance. The ERMC reports to the Audit Committee which, in turn, reports to the Board.

ENTERPRISE RISK MANAGEMENT HIERARCHY



ENTERPRISE RISK MANAGEMENT FRAMEWORK

The Company operates an integrated business model that includes production, processing, marketing and sales, and distribution of palm oil and its related products. The integrated nature of our business model enables an enterprise-wide approach towards the management of risk. All the activities that take place along the value chain are subject to a variety of risk factors. These risk factors affect not only our businesses but may have an impact beyond the palm oil and agriculture industry.

The ERMC oversees risk management activities across the business segments and directs the efforts of the risk management teams to continually identify, evaluate and mitigate risks together with a focus on operational improvements appropriate for the business and external environment. Our activities are exposed to a baseline of business and strategic, market, credit and operational risk factors. For each of these risk exposures, appropriate risk management strategies and internal controls are put in place to mitigate against such risk.

The Company's operations are prudently managed through a seasoned and commercially focused management team that is supported by a risk management function with clear governance. Our senior leadership team routinely identify, discuss, review, and take proactive steps to mitigate business and strategic risk which may arise from time to time during our business operations. At the business level, our market, credit and operational risk teams operate independently and adopt some of the finest industry practices in their respective risk management functions. The overall risk management framework provides senior Management and the ERMC with the ability to review these risks holistically and assess the balance between risk appetite and appropriate rewards in order to maximise shareholder returns.

The ERM Framework is managed through a disciplined structure of Steering Committees (SC) and operational reviews called Executive Meetings (EM) at the business unit levels. These meetings serve as forums for senior Management to review with the Executive Directors, matters concerning the discovery of new risks, analysis and evaluation of risks determined as material and appropriate metrics. The need for additional work streams is determined during these forums which may subsequently be managed under separate governance structures; however, progress is usually reported in the SC or EM and guidance/direction from the Executive Directors is sought.

Metrics that track key risks and mitigation measures are reported as part of operational performance reviews to ensure effectiveness of risk management processes. EM and SC meetings are held at least quarterly or more frequently, as required, during which the Executive Directors evaluate strategic opportunities and review the performance of various business units through a series of reports that contain quantified metrics and qualitative discussions.

KEY RISK EXPOSURES

The Company's business is exposed to the following types of key risks:

ENTERPRISE RISK MANAGEMENT

RISK	DESCRIPTION	MITIGATION
Business and Strategic Risk	Business and strategic risks expose the Company's ability to generate adequate returns from its investments to grow its businesses which can be executed in the form of direct capital expenditure, acquisitions, investment in joint ventures, or other investment ventures. Changes in macroeconomic conditions, competitive pressures, government policies, environmental regulations and geopolitical shifts may impact our capacity to meet our financial targets.	The Company closely monitors the development of macroeconomic trends, global supply and demand outlook, and formulates a strategic business plan accordingly. We constantly strengthen our competitiveness through market positioning, operational efficiency and leveraging our distribution channels and marketing capabilities. The Company seeks to continually manage these risks and minimise effects on our financial results. Comprehensive reviews and evaluations are conducted before investment decisions are made, and the performance of investments is monitored and tracked regularly.
Fluctuations in commodity prices	Global prices of our products fluctuate. They are affected by the availability of agricultural commodities that are subject to uncontrollable factors affecting supply such as global weather conditions, and factors affecting demand such as changes in population growth, standards of living, global production of substitute and competitive crops, as well as crude oil prices. Other aspects like macroeconomics, geopolitical shifts, environmental and conservation regulations, trade tariffs, outbreak of a disease and natural disasters also play a part in the price determination.	We constantly analyse and monitor the global demand and supply patterns for crude palm oil (CPO) and other agricultural products to make prompt and informed decisions regarding our production and sales levels. The Company has a comprehensive market risk policy in place, which provides controls and ongoing management of key market risks inherent in its business activities. Risk limits are established centrally at the corporate level in accordance with the Company's risk appetite and allocated across business units. These limits include relevant business and performance related risk metrics and are tracked daily. A key statistical risk measure called Value at Risk (VaR) is used to estimate the potential loss from adverse market moves in a normal market environment over a one-day holding period.

RISK	DESCRIPTION	MITIGATION
Foreign Currency Risk	As a group with multiple subsidiaries located in different countries, GAR is exposed to foreign exchange fluctuation risk. Our financial statements which are presented in US dollars, requires accounts of some of our subsidiaries to be translated to US dollars for consolidation purposes. Any fluctuations in currency exchange rates will result in exchange translation gains or losses.	We seek to manage our foreign currency exposure by constructing a natural hedge where it matches revenue and expenses in any single currency or through financial instruments, such as forward exchange contracts and cross currency swap contracts.
Interest Rate Risk	Interest rate risk arises primarily from floating rate loans and borrowings.	The Company closely monitors, updates and ensures interest rate exposure is managed within our risk appetite using interest rate derivatives.
Credit Risk	Credit risk is risk of financial loss arising from the failure of a counterparty's ability or willingness to meet its contractual obligations. With the nature of fluctuation in commodity prices, the task of monitoring the continued and consistent interest of GAR's counterparties in performing their buying commitment has been of utmost priority. Global macroeconomic conditions play a significant part in the continued volatility in the commodity and financial markets that accompany the changing conditions of counterparties we conduct business with.	The Company has a comprehensive credit risk policy and an independent Credit Risk Team that is involved in performing counterparty due diligence, credit assessment and approvals, limits setting and monitoring of counterparty exposure.
Liquidity Risk	Liquidity risk is a risk arising when the Company's cash flow position is insufficient to cover the liabilities which become due.	We constantly assess our ability to meet our cash flow requirements and our overall financial position. We evaluate the projected and actual cash flows, including debt maturity profiles, and continuously assess conditions in the financial markets for opportunities to obtain optimal funding sources. We adopt prudent strategies to always maintain adequate liquidity.

ENTERPRISE RISK MANAGEMENT

RISK	DESCRIPTION	MITIGATION
Climate change	As an agribusiness, climate change is a key risk that has the potential to impact our operations, infrastructure and supply chain directly. The frequency and severity of extreme weather phenomena have seen an increasing trend. This could impact our palm product yield and disrupt the global logistics supply chain. Excessive rainfall or an extensive period of dry weather will lead to a decrease in the overall yield. Excessive rainfall generally leads to poor pollination of palms, reduces the effectiveness of fertilisers and can impede logistics, while drought results in fewer fruit bunches and lower oil extraction rate. Extended drought might also trigger fire outbreaks in the plantations. Apart from physical risk, there are also transition risks associated with the shift towards a low-carbon future. This includes more stringent regulations to support a low-carbon economy and society. Failure to comply with applicable climate-related regulations could impact our business, including fines, license revocation, higher costs or reduced flexibility of our operations.	We have implemented various measures at our plantations to reduce the impact of weather conditions on our plantations, including the construction of drainage and irrigation systems and roads, and the establishment of certain planting patterns. Historically, CPO prices increase when supply is adversely affected by weather conditions, reducing the impact of the decrease in supply on financial performance. We also extend our efforts around long-term fire prevention and are taking steps to mitigate and adapt to climate change. We are fully aware of the increased importance of climate action and related regulations. We have a separate department that closely monitors and updates current regulatory requirements. We will ensure our compliance with relevant regulations to avoid any liabilities that may incur in the future. To address these concerns in the long term, we continue to strengthen our response to climate change and step up efforts to reduce greenhouse gas emissions, including implementing the Task Force on Climate-related Financial Disclosure (TCFD) recommendations. More details can be found in our 2022 Sustainability Report, which will be published in May 2023.
Pest outbreak	Pest outbreak in our plantations may reduce production level, which may ultimately impact the Company's revenue and profitability. Generally, pests that attack oil palm trees are nettle caterpillar, rat, wild boar and ganoderma fungus.	We closely control and protect our plantations from pests. To specifically handle pest attack, we apply an integrated pest management approach that prioritises the use of biological controls over pesticide. Our agronomists from SMARTRI give immediate additional protective care to trees that are attacked by pest to prevent dissemination.

RISK	DESCRIPTION	MITIGATION
Revocation or restriction of land rights granted by the Indonesian Government	Our plantations have been granted Hak Guna Usaha land rights (rights to cultivate land for agricultural purposes) by the Indonesian Government. Depending on the plantation, these rights could be extended for up to 95 years, and most will expire after year 2045. We also hold land rights in the form of Ijin Lokasi and Panitia B. These are intermediate land rights granted by the Indonesian Government during the initial stages of the land rights approval process. These rights are less than the full rights over the use of the lands represented by Hak Guna Usaha land rights.	We believe that we have complied with all relevant requirements in relation to the plantations and will take all necessary steps to ensure that our land rights for such plantations are extended. A dedicated team monitors and takes necessary action should there be any changes in regulation related to land rights impacting current business.
Disruptions in transportation infrastructure	We depend on transportation services partly provided by external parties to transport raw materials to processing and storage facilities as well as to deliver our products to customers. Disruption of transportation services arising from factors such as unfavourable weather conditions, labour unrest, significant downtime arising from major and unexpected repairs, or any other events might impair our production process and affect the quality of products and our ability to supply products to customers on time. Repeated failure or delay in supplying products to customers may result in contractual claims against GAR and in the long run, may affect product demand, reputation, business and financial position of GAR.	We continuously strengthen our internal transportation infrastructure to minimise dependence on external parties, and regularly monitor availability against demand.

ENTERPRISE RISK MANAGEMENT

RISK	DESCRIPTION	MITIGATION
Commercial availability	Our business may be impacted by disruptions in the commercial availability of our internal (refining, crushing and processing facilities) and external assets (access to shipping, storage and pipeline facilities).	We implement key operational controls across our assets and facilities, including comprehensive storage, inventory guidelines and operational processes, to ensure maximum commercial availability.
Changes in regulations by the Indonesian Government and/or importing countries	Regulations relating to palm oil in Indonesia such as export tax and levy, import tariffs, other taxes and restrictions imposed by Indonesia or importing countries might impact the Company. In line with social and economic policies, the government may impose new policies on the palm oil industry from time to time. Import tariffs and taxes and other import restrictions imposed by importing countries will affect the demand for CPO and its derivative products and can encourage substitution by other vegetable oils. If importing countries ban imports of CPO from Indonesia, tax competing substitute products, such as soybean oil, at a lesser tax rate, the competitiveness of imported CPO and derivative products can be adversely affected, which can affect the demand for and the price of our products.	GAR keeps abreast of changes in Indonesian Government and international regulations and analyses the impact of these changes to be able to make immediate and appropriate business-related decisions. We are also actively involved in oil palm-related organisations and collaborate with industry stakeholders in providing positive inputs to the Indonesian Government in order to create conducive regulations for the palm oil industry, and to other stakeholders both domestic and international.

RISK	DESCRIPTION	MITIGATION
Infectious disease outbreak	Uncontrollable infectious disease outbreak may have material impact on a country's economy, the Company's operations, and customers. If employees, suppliers and/or the Company's customers are infected with disease, the Company, its suppliers and/or its customers may be asked to temporarily halt their business activities to prevent the spread of the disease. This may have negative impact on the business activities, financial condition, business performance and business prospects of GAR.	We continue to carry out various Occupational Health and Safety (OHS) measures in the midst of the COVID-19 pandemic and comply with local government regulations in our operational areas. Business Continuity Plan (BCP) as well as additional safety and health procedures can be implemented during an outbreak to minimise operational disruptions while protecting the health of our employees.
Dependency on technology in data processing and communication	Most large organisations including ours are becoming more and more dependent on technology to run their day-to-day operations. Hence, any significant outages will affect the operations of our Company.	As cybersecurity threat has been evolving and becoming greater in the last few years, we have progressively implemented best-in-class solutions that address data and cybersecurity risk. We adopt a holistic approach in our cybersecurity initiatives, not just from an information technology angle, but also from a risk and compliance perspective to ensure that controls and mitigations are adequately established.
Dependency on retaining key personnel and attracting additional qualified persons	Our continued success relies on the capabilities and experience of our Directors and senior Management. Competition for such key personnel is intense in the industry and the loss of any of our key personnel is a possibility.	Our Human Resources Department implements a comprehensive talent management programme, which includes talent development, retention, and succession planning. Senior Management also plays an important role in maintaining relationships with our key employees as well as outlining and executing our overall business strategy.

CORPORATE GOVERNANCE REPORT

Golden Agri-Resources Ltd (the "Company" or "GAR" and together with its subsidiaries the "Group") is committed to observing high standards of corporate governance, to promote corporate transparency and to enhance the long-term value of the Group to its shareholders and other stakeholders, with guidance from the Code of Corporate Governance issued by the Monetary Authority of Singapore on 6 August 2018 (the "Code").

Rule 710 of the listing manual ("Listing Manual") of the Singapore Exchange Securities Trading Limited ("SGX-ST") requires an issuer to describe its corporate governance practices with specific reference to the principles and provisions of the Code. Issuers must comply with the principles of the Code.

Described in this report, is the Company's corporate governance practices and structures in place during the financial year ("FY") ended 31 December 2022 ("FY2022" or "2022"). In support of good corporate governance, the Company participated in the annual Corporate Governance Statement of Support 2022, organised by SIAS.

The principles of the Code are set out in this report. Where the Company's practices vary from provisions of the Code, specific disclosures will be provided.

I

BOARD MATTERS
(PRINCIPLES 1 TO 5)

PRINCIPLE 1:
THE BOARD'S CONDUCT OF AFFAIRS

The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

1.1 The Board's Role

The Board of Directors of the Company ("Board") heads the Company to provide effective leadership and direction, and works with Management to enhance the long-term success of the Group.

The Board has the responsibility to fulfil its role which includes the following:

(a) provide entrepreneurial leadership, and set strategic objectives, which include appropriate focus on value creation, innovation and sustainability;

(b) ensure that the necessary resources are in place for the Company to meet its strategic objectives;

(c) establish and maintain a sound risk management framework to effectively monitor and manage risks, and to achieve an appropriate balance between risks and Company performance;

(d) constructively challenge Management and review its performance;

(e) instill an ethical corporate culture and ensure that the Company's values, standards, policies and practices are consistent with the culture; and

(f) ensure transparency and accountability to key stakeholder groups.

1.2 Scope of Director Duties, Code of Conduct, and Policy on Directors' Conflicts of Interest

All Directors of the Company ("Directors") are expected to be cognizant of their statutory duties, and to discharge them objectively in the interest of the Company. To establish appropriate tone-at-the-top behaviour, there is in place a code of conduct known as the GAR Code of Conduct ("GAR Code") which spells out the standards expected of all employees of GAR and the Group to follow, and the behaviors expected of its officers and employees.

Directors are regarded as Executive, Non-executive and Independent according to their differing roles, although all Directors have the same statutory duties. All Directors have taken note of the different roles they have in the Company.

Directors are required to refrain from discussion and decision-making, and to abstain from voting on any agenda item in which they have conflict of interest. To assist Directors, the Board has adopted a comprehensive Policy on Directors' Conflicts of Interest setting out guiding principles for Directors when faced with an actual or potential conflict of interest situation. If uncertain about the possibility of a conflict, Directors should discuss and seek advice.

1.3 Training and Development of Directors

The Company takes note to provide Directors with opportunities to develop and maintain their skills and knowledge at the Company's expense. In this regard, the Board has approved a framework for Directors' training where the Company facilitates with Director's training arrangements. An annual budget exists to fund any Director's participation / attendance at seminars and training programmes that are relevant to his / her duties as a Director.

The Director's training framework / programme applied a 3-step approach to training as follows:

(1) Externally conducted courses on audit / financial reporting matters, audit committee's role, corporate governance / regulatory changes and other relevant topics subject to course availability;

(2) Quarterly management updates on operations and industry-specific trends and development; and

(3) Quarterly continuing education on regulatory changes and updates, including extraction of relevant case studies on corporate governance, and external auditors' briefings on changes to accounting standards and issues.

Sustainability topics gained increased coverage for the training of Directors starting in 2022, particularly as the Listing Manual mandated training on sustainability matters, as prescribed by SGX-ST, for all Directors effective 1 January 2022 ("Mandatory Sustainability Training").

1.4 Training and Orientation for New Directors

As a standard procedure, newly appointed Directors are issued with a formal appointment letter setting out the terms of appointment, general duties and obligations including expectations of the Company. They are also given the current year's meeting schedule, contact particulars of senior Management, relevant governing documents of the Company, and a web address to the Listing Manual. Those without prior experience as a director of a Singapore listed company ("1st time Director"), are required to attend the Listed Entity Director ("LED") Programme comprising several modules, being SGX-ST's prescribed training on the roles and responsibilities as a director of a listed company in Singapore, conducted by the Singapore Institute of Directors ("SID"). All new Directors are also required to undertake to comply with SGX-ST's listing rules.

CORPORATE GOVERNANCE REPORT

Non-executive Directors who are newly appointed may not be familiar with the Group's business. Upon recommendation, they may be provided with orientation through overseas trips to familiarise them with the Group's operations, including briefing(s) by Management on the Group's business as well as governance practices. In 2022, these orientation sessions were conducted online or in hybrid form. As prevailing restrictions brought about by the Coronavirus Disease 2019 (COVID-19) pandemic began to ease, the Company was able to organise physical site visits for the Directors towards the end of 2022.

1.5 FY2022 Training for Directors

Attendance by Director(s) of externally conducted courses during FY2022 were via online live webcast. Having attended the trainings, Directors in turn, shared their key takeaways with their fellow Directors at the subsequent Board meeting. The various training sessions attended by Directors in 2022 included the following:

External Training

1. ACRA-SGX-SID Audit Committee Seminar 2022: Financial Oversight, Accountability and Reporting – Moving the Needle (January 2022);
2. AC Chapter Pit-Stop Series: The End of Inter Bank Offered Rates (IBOR) (February 2022);
3. LED Programme Module 1: Listed Entity Director Essentials (March 2022);
4. LED Programme Module 5: AC Essentials (March, July 2022);
5. LED Programme Module 6: Board Risk Committee Essentials (March 2022);
6. LED Programme Module 7: Nominating Committee Essentials (March 2022);
7. LED Programme Module 8: Remuneration Committee Essentials (March 2022);
8. Global Virtual Roundtable 1: Evaluating the Impact of ESG (March 2022);
9. AC Chapter Pit-Stop Series: Valuation in Southeast Asia's Technology Industry (April 2022);
10. LED Programme Module 2: Board Dynamics (May 2022);
11. LED Programme Module 3: Board Performance Core Module (May 2022);
12. LED Programme Module 4: Stakeholder Engagement (May 2022);
13. Audit Risk Committee Pit-Stop Series: Finance Function of the Future (May 2022);
14. LED Programme – Environmental, Social and Governance Essentials (ESG Core) (July, August, September, November 2022);
15. Global Virtual Roundtable 2: The Talent Landscape – The Role of the Board (September 2022).

During 2022, the prescribed compulsory training comprising (i) LED Programme Modules 1 to 5; and (ii) LED Programme (ESG Core) by SID were attended and completed respectively by (i) 1st time Director, Mr. Soh Hang Kwang; and (ii) all Directors. Whilst Directors who were newly appointed to the various Board Committees, refreshed and updated themselves with the LED Programme Modules 6 to 8.

Internal / In-house Training and/or Orientation

16. Onboarding for new Directors (Part 1): Budget 2022 Presentation (January 2022);
17. Onboarding for new Directors (Part 2): Back to Basics – Understanding the Group's business (January 2022);
18. Onboarding for new Directors (Part 3): Sustainability (February 2022);
19. Onboarding for new Directors (Part 4): Information Technology (including cyber security) (February 2022);

Virtual Training by External Consultants (internally arranged)

20. Sustainability and Why it is Relevant (April 2022);
21. An Introduction to Task Force on Climate-Related Financial Disclosures (August 2022).

Site-Visit

In November 2022, the Company arranged for AC members' visit to the Group's facilities and office in Pekanbaru, Marunda and Jakarta, accompanied by the Chief Internal Auditor ("CIA"). Meetings were also arranged with the local Senior Management.

1.6 Matters Requiring Board Approval

The Company's Internal Guidelines specify matters requiring Board approval, which include the following corporate events and actions:

+ approval of results announcements
+ approval of the annual report and financial statements
+ dividend declaration/proposal
+ convening of members' meetings
+ shares issuance
+ material acquisitions and disposal of assets
+ annual budgets
+ interested person transactions
+ corporate governance

1.7 Committees Established by the Board

Committees established by the Board ("Board Committees") comprise the Audit Committee[5] ("AC"), the Nominating Committee[6] ("NC") and the Remuneration Committee[7] ("RC") with written terms of reference which clearly set out the authority and duties of each committee.

While the Board Committees have been delegated power to make decisions within the authority delegated to the respective committees, the ultimate responsibility for the decisions and actions rests with the Board as a whole.

5 See item 10.1
6 See item 4.1
7 See item 6.1

CORPORATE GOVERNANCE REPORT

1.8 Composition of the Board and Board Committees

Presently, a total of 8 Directors sit on the Board. Their other position(s) in the Company, membership (if any) on the Board Committees and directorship role are shown below:

Name	Position(s)	Executive/ Independent Director
Franky Oesman Widjaja	Chairman and CEO Member of NC & RC	Executive Director
Muktar Widjaja	President	Executive Director
Rafael Buhay Concepcion, Jr.	CFO	Executive Director
Willy Shee Ping Yah @ Shee Ping Yan	LID, Chairman of RC Member of AC & NC	Non-executive, Independent Director
Christian G H Gautier De Charnacé	Chairman of AC & NC Member of RC	Non-executive, Independent Director
Soh Hang Kwang	Member of AC	Non-executive, Independent Director
Khemraj Sharma Sewraz	-	Non-executive, Independent Director
Marie Claire Goolam Hossen (Ms.)	-	Non-executive, Independent Director

Key information, including qualifications, on the Directors are found on pages 32 to 36 of this Annual Report.

Abbreviation:
CEO: Chief Executive Officer
CFO: Chief Financial Officer
LID: Lead Independent Director

1.9 Key Features of Board Processes

The Board and the respective Board Committees meet regularly on scheduled dates throughout the year to consider pre-set agenda items. To assist Directors in planning their attendance, Meeting dates together with agenda items for each new calendar year are discussed and notified to all Directors, before the start of that calendar year.

In addition to regularly scheduled meetings, ad-hoc meetings may be convened for specific purpose and on short notice, if requested or if warranted by circumstances deemed appropriate by the Board and/or Board Committees. Participation by Directors at Meetings by teleconference or similar communication equipment is permitted under the Company's Constitution ("Constitution").

In between regularly scheduled meetings, matters that require the Board and/or Board Committees' approval are circulated, with explanatory memo(s), to all Directors and/or respective Board Committee members, as the case may be, for their consideration by way of circular resolutions, as provided in the Constitution and the terms of reference of the respective Board Committees.

1.10 Number of Meetings Held in 2022 and Attendance Record

In 2022, the Board met 6 times, with the year-end meeting dedicated to strategic issues and the annual budget; the Board Committees met a total of 12 times; and 1 shareholders' meeting being the Annual Meeting ("AM"), was held. In view of the COVID-19 pandemic, meetings during 2022 were mainly held via electronic means, or in hybrid form. The number of Board and Board Committee Meetings held and the attendance record of Directors and Board Committee Members respectively, in 2022 is disclosed in the Attendance List below.

	NUMBER OF MEETINGS ATTENDED BY MEMBERS IN 2022					
Name of Director	Board Meeting	AC Meeting	NC Meeting	RC Meeting	AM	Total Attendance at Meetings
EXECUTIVE DIRECTORS						
Franky Oesman Widjaja	5/6	-	2/2	2/2*	1/1	10/11
Muktar Widjaja	5/6	-	-	-	1/1	6/7
Rafael Buhay Concepcion, Jr.	6/6	-	-	-	1/1	7/7
NON-EXECUTIVE, INDEPENDENT DIRECTORS						
Willy Shee Ping Yah @ Shee Ping Yan	6/6	5/5	2/2	5/5	1/1	19/19
Christian G H Gautier De Charnacé	6/6	5/5	2/2	5/5	1/1	19/19
Soh Hang Kwang	6/6	5/5	-	-	1/1	12/12
Khemraj Sharma Sewraz	6/6	-	-	-	1/1	7/7
Marie Claire Goolam Hossen	6/6	-	-	-	1/1	7/7
Number of Meetings Held	6	5	2	5	1	19

* was not required to attend 3 RC Meetings containing topics of personal interests.

1.11 Complete, Adequate and Timely Information

To enable Directors to make informed decisions and discharge their duties and responsibilities, Management recognises its role to provide the Board with complete, adequate and timely information prior to Meetings and on an on-going basis. Management also response to additional requests for information which Directors may make during Meetings.

As Directors prepare for a Meeting by, inter alia, reviewing the Meeting Papers and agenda items prior thereto, it has become a standard procedure that materials for each Board, Board Committee and Shareholders' Meeting are sent to Directors beforehand, and uploaded to a digital Board portal, which Directors may access from their tablets or desktops.

Management, the Company's auditors and other professionals who can provide additional insights into the matters to be discussed at Board and Board Committee Meetings are invited to be present at these meetings, where necessary.

CORPORATE GOVERNANCE REPORT

Management provides the Board with financial statements and management reports of the Group on a quarterly basis. Explanations are given by Management for material variance (if any) between any projections in the budget and actual results.

Separate and independent access to the Company's Management is available to all Non-executive, Independent Directors if they have queries in addition to that provided, and the Company arranges for meetings with Senior Management upon request from the Director(s).

1.12 Company Secretary

The Directors may separately and independently contact the company secretary or the Singapore company secretariat which organises, attends and prepares minutes for all Board meetings. The company secretary's role is defined which includes responsibility for ensuring that board procedures are followed and that applicable rules and regulations are complied with.

The appointment and removal of the company secretary are matters requiring Board approval.

1.13 External Advice

Where Directors, either individually or as a group, in furtherance of their duties, require external advice, the company secretary or the Singapore company secretariat can assist them to do so, at the Company's expense.

PRINCIPLE 2:
BOARD COMPOSITION AND GUIDANCE

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

2.1 Director Independence

There is a strong and independent element on the Board with more than half of the Board comprising Independent Directors (5 out of 8) as reflected under item 1.8. This is fundamental to good corporate governance as it facilitates the exercise of independent and objective judgement on corporate affairs. It also ensures discussion and review of key issues and strategies in a critical yet constructive manner.

When determining a Director's independence, the NC and Board considers the following:

1. Listing Manual;
2. the Code; and
3. any other circumstance or relationship which might impact a Director's independence, or the perception of his or her independence.

The 5 Independent Directors have declared nil relationship with the Company, its related companies, its substantial shareholders, or their officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement with a view to the best interests of the Group, and they are able to exercise objective judgement on corporate affairs independently from Management and its substantial shareholders.

Each year, the Board examines its size, composition, skills and core competencies of its members to ensure an appropriate balance and diversity of skills, experience and knowledge. The Board comprises Directors from different industries and background, with accounting and finance, business and management experience, industry knowledge and expertise who, collectively as a group provides the core competencies for the leadership of the Company. The Company has no alternate Directors on its Board.

Taking into account the scope and nature of operations of the Group, the Board considers that the current composition mix and size is appropriate to facilitate effective decision making at meetings of the Board and Board Committees.

2.2 Non-executive Directors

A key duty of the Board is to set objectives and goals for Management, monitor the results, and assess and remunerate Management on its performance. Executive Directors who are part of Management may face conflicts of interest in these areas. To avoid undue influence of Management over the Board and ensure that appropriate checks and balances are in place, Non-executive Directors comprise more than half of the Board (5 out of 8).

If deemed necessary by any Independent Director, the Non-executive, Independent Directors hold discussions amongst themselves without the presence of other Executive Directors and Management. After these discussions, they could highlight to Management any matters requiring its attention.

2.3 Lead Independent Director

Mr. Willy Shee Ping Yah @ Shee Ping Yan took on added responsibility as LID on 1 January 2022. The LID has the following additional role:

1. LID is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate;
2. Plays an additional facilitative role within the Board;
3. Where necessary, he may also facilitate communication between the Board and shareholders or other stakeholders of the Company; and
4. Providing a channel to Non-executive Directors for confidential discussions on any concerns and to resolve conflicts of interest as and when necessary.

The LID may be contacted through office phone number +65 6590 0805.

2.4 Board Diversity Policy

In support of the principles of good corporate governance, the Board has adopted a Board Diversity Policy relating to Directors appointment and Board composition. By practicing diversity at Board level, the Directors believe that such differences may, collectively, enhance the attainment of corporate strategic objectives and to reach greater heights of achievement. However, it is noted that differences should be appropriately balanced so that the Board can function as a whole, and effectively within its leadership role in the Company. All Board appointments are based on merit of candidates.

During FY2022, the NC noted that progressive Board changes in 2021 / January 2022 has helped to improve Board diversity in terms of gender, age group, and tenure. Board / Board Committee changes in January 2022 saw the appointment of two Independent Directors, a new LID, and new chairmanship at AC, NC and RC.

In terms of tenure and Board refreshment, the Board has seen good improvement following appointment of two Independent Directors in January 2022. As of December 2022, the length of service of our Independent Directors ranged from between 1 to 4 years, following the practice starting during 2021 where Independent Directors who had served more than 9 years, stepped down to make way for new appointments. The Board subsequently noted the hard tenure limit of 9 years for independent directors, as announced by SGX-ST in January 2023.

Newly appointed members / Board committee chairmen have been working together and familiarising themselves with the Group's business, company policies and practices, regulatory environment, etc. This is an on-going process.

CORPORATE GOVERNANCE REPORT

PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

3.1 Chairman and Chief Executive Officer

Our Chairman and CEO is Mr. Franky Oesman Widjaja. We believe that the Independent Directors have demonstrated a high commitment in their roles as Independent Directors and have ensured that there is a good balance of power and authority within the Board.

The overall role of the Chairman is to lead and ensure the effectiveness of the Board. This includes:

(a) promoting a culture of openness and debate at the Board;

(b) facilitating the effective contribution of all Directors; and

(c) promoting high standards of corporate governance.

The Board notes that the Chairman plays an instrumental role in developing the business of the Group and provides the Group with strong leadership and vision.

3.2 To address the issue of the Chairman and CEO positions being held by the same person, the LID position and role were created, as set out in item 2.3. The present LID is a member of the NC and the AC, in addition to holding the position of RC Chairman. Further, all Board Meetings and Board Committees are chaired by a Non-executive, Independent Director.

PRINCIPLE 4: BOARD MEMBERSHIP

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

4.1 Nominating Committee Composition and Role

The NC comprises 3 Directors as follows, of whom the NC Chairman and 1 member are Non-executive, Independent Directors:

+ Christian G H Gautier De Charnacé (appointed as NC member and NC Chairman on 1 January 2022)
+ Willy Shee Ping Yah @ Shee Ping Yan (appointed as NC member on 1 January 2022)
+ Franky Oesman Widjaja

The NC's terms of reference set out its roles and responsibilities. The NC is primarily responsible for:

(a) identifying and nominating for the approval of the Board, all Board appointments including candidates to fill Board vacancies as and when they arise; and

(b) reviewing the independence element on the Board annually.

The NC is also responsible for making recommendations to the Board:

(a) as regards the selection, appointment and re-appointment of any Director, and succession planning;

(b) concerning performance criteria and related evaluation processes;

(c) regarding training and development programmes for Directors;

(d) concerning any matters relating to the continuation in office of any Director at any time; and

(e) concerning setting of objectives and estimated timelines to achieve Board diversity and monitoring the progress towards such objectives.

4.2 Selection, Appointment and Re-appointment of Directors

All new Board appointments are considered, reviewed and recommended by the NC first, before being brought up to the Board for approval. Potential candidates to fill casual vacancies are sourced with recommendations from Directors, Management or external consultants. Upon the NC's recommendation, the Board approves the new appointment. In the event that the membership of the NC falls below the minimum number of 3 members, the NC shall be dissolved, and any new nominations are channeled directly to the Board for approval after which the NC is reconstituted with the requisite number of members.

Shortlisted candidates would be required to furnish their curriculum vitae containing information such as their academic / professional qualification, employment history and experience. When evaluating a shortlisted candidate's suitability for appointment, the NC will interview the candidate to consider, inter alia, the candidate's competencies, commitment, independence, ability and potential to contribute to the Board's function and effectiveness and diversity.

The NC refers to a comprehensive checklist to ensure that basic standard criteria as well as the Board Diversity Policy are considered during this process of appointment or re-appointment. The requirement to maintain at least 2 Singapore-resident Independent Directors, and 2 Mauritius-resident Independent Directors on the Board are also factored in during the selection process.

Mr. Willy Shee Ping Yah @ Shee Ping Yan and Mr. Soh Hang Kwang were appointed as Non-executive, Independent Directors of the Company, both with effect from 1 January 2022. The Board approved the appointments of each of Mr. Shee and Mr. Soh upon recommendation of the previous NC after due consideration being given to the relevant factors, including experience, qualifications, independence, commitment and contribution in the role. Both Mr. Shee and Mr. Soh were shortlisted by Management to the previous NC for assessment of their suitability for appointment.

4.3 Director Independence Review

The Board has adopted the definition of "independence" in both the Code and the Listing Manual, in its review.

An "independent" Director is one who is independent in conduct, character and judgement, and has no relationship (whether familial, business, financial, employment, or otherwise) with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of the Company.

Bearing in mind the above, and the Listing Manual requirements and changes with regards independence, the NC determines on an annual basis and, as and when the circumstances require, the independence of an Independent Director. To facilitate NC review, each Independent Director is required to complete a self-declaration checklist at the time of appointment, and annually, based on the above independence criteria.

Having conducted its review, the NC / Board has considered that the following 5 Directors are regarded as Independent Directors of the Company:

+ Willy Shee Ping Yah @ Shee Ping Yan
+ Christian G H Gautier De Charnacé
+ Soh Hang Kwang
+ Khemraj Sharma Sewraz
+ Marie Claire Goolam Hossen

Each Independent Director duly abstained from the NC / Board's determination of his / her independence.

CORPORATE GOVERNANCE REPORT

4.4 Re-appointment at the 2023 AM

Under Section 138 of the Companies Act 2001 of Mauritius ("Sec138"), the office of a Director shall become vacant at the conclusion of the AM commencing next after the Director attains the age of 70 years, and he shall be subject to yearly re-appointment.

The Directors seeking for re-appointment at the coming 2023 AM pursuant to Sec138 are (1) Mr. Christian G H Gautier De Charnacé, (2) Mr. Khemraj Sharma Sewraz, and (3) Mr. Willy Shee Ping Yah @ Shee Ping Yan who, being eligible, have each offered himself for re-appointment as a Director thereat.

The NC has recommended each of the above Directors' re-appointment as a Director at the 2023 AM.

In its deliberation on the re-appointment of Directors who, being eligible, have offered themselves for re-appointment, the NC took into consideration the Director's attendance, participation, contribution, commitment and performance during the previous year, and where applicable, the retiring Director's independence.

Each member of the NC has abstained from participating in deliberations and voting on any resolutions in respect of his re-appointment as Director.

4.5 Directors' Time Commitments and Multiple Directorships

The Board believes that each Director, when accepting new appointments or who already sit on multiple boards, has the individual responsibility to personally determine the demands of his or her competing directorships and obligations, and ensure that he or she can allocate sufficient time and attention to the affairs of each company.

Annually, the NC assesses and reviews each Director's attendance record and his or her ability to allocate sufficient time and attention to the affairs of the Company. The NC is satisfied with the time commitment and effort made by each Director to attend meetings in 2022.

To address the competing time commitments faced by Directors serving on multiple boards, the Board has determined that the maximum number of listed company board representations which any Director may hold is 6 (including the Company). Currently, the maximum number of directorships in Singapore listed companies, including the Company, held by an Independent Director is 3, and of that held by an Executive Director is 3.

PRINCIPLE 5: BOARD PERFORMANCE

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

5.1 Assessing Performances

The NC is tasked to carry out the processes as implemented by the Board for assessing the effectiveness of the Board as a whole, and the contribution by each individual Director to the effectiveness of the Board, on an annual basis.

The Company has in place a system to assess the effectiveness / performance of the Board and Board Committees, and acts, where appropriate, on feedback from Board / Board Committee members, on improvements.

During the annual evaluation process, each Director is required to complete the respective forms for self-assessment as well as for assessment of the performance of the Board / Board Committees, based on pre-determined approved performance criteria.

REMUNERATION MATTERS (PRINCIPLES 6 TO 8)

PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

6.1 Remuneration Committee Composition and Role

The RC comprises the following Directors, a majority of whom, including the RC Chairman, are Non-executive, Independent Directors:

+ Willy Shee Ping Yah @ Shee Ping Yan (Appointed as RC member and RC Chairman on 1 January 2022)
+ Christian G H Gautier De Charnacé (Appointed as RC member on 1 January 2022)
+ Franky Oesman Widjaja

Notwithstanding the RC is inclusive of one Executive Director, the Board views that the current RC composition is adequate as a majority of its members are independent; and the RC Chairman is non-executive and independent. The Executive Director was recused from attending RC Meetings to decide matters of his personal interests.

The RC's roles and responsibilities are described in its terms of reference. The duties of the RC include reviewing and recommending to the Board for approval, the following:

(a) a general framework of remuneration for the Board and key management personnel;

(b) the specific remuneration packages for each Director and key management personnel; and

(c) the Company's obligations arising in the event of termination of Executive Directors and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The RC may, during its annual review of remuneration of Directors and key management personnel, seek advice from external remuneration consultants as and when it deems necessary. During the year, an independent external remuneration consultant firm was engaged for benchmarking purpose.

None of the members of the RC, including the Executive Director, is involved in deliberations in respect of any remuneration, fee, compensation, incentives or any form of benefits to be granted to him, or to his IFM (as defined in item 8.3).

6.2 Long-term Incentive Scheme

Currently, the Company does not have any long-term incentive schemes, including share schemes.

CORPORATE GOVERNANCE REPORT

PRINCIPLE 7:
LEVEL AND MIX OF REMUNERATION

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

7.1 Remuneration of Executive Directors and Key Management Personnel

In designing the compensation structure, the Company seeks to ensure that the level and mix of remuneration is competitive, relevant and appropriate.

The remuneration structure for Executive Directors and key management personnel consists of (a) fixed remuneration, (b) variable bonus and/or (c) other benefits. Executive Directors do not receive Directors' fees.

The extent of an individual's performance and contributions towards the achievement of corporate objectives and targets, for the year under review, will largely determine that individual's variable bonus component. Other determinants of the level of remuneration include the Group's performance, industry practices, individual's contribution through engagement with governmental authorities and other stakeholders, and personal advancement of an appropriate work and corporate culture including sustainable practices.

Total compensation for top Executives is also benchmarked against that by other major Singapore listed companies.

The use and application of clawback provisions in remuneration contracts of Executive Directors and key management personnel is subject to further consideration by the Company.

7.2 Relationship between Remuneration, Performance and Value Creation

GAR's remuneration philosophy supports the Company's strategy and enables it to achieve its business objectives. To ensure the "reward for performance" principle, GAR aligns its strategic goals to performance indicators, sets proper targets, and identifies plans and actions to achieve value targets, monitors and finally reward performance achievement. There is an annual budget for all business units under GAR with comprehensive operational and financial targets, to enable a right set of culture and 'way of working' as follows:

+ Alignment of objective – company wide
+ Focus on the right result, prioritise the right actions to achieve that
+ Driving the right day-to-day behaviour by linking rewards to results
+ Proper rhythm for monitoring to ensure progress and accountability

Each business unit has a budget that reflects challenging yet achievable targets. Noting innovation drives optimum value creation, each business unit also has strategic targets to implement transformational initiatives that will significantly improve their overall operational capability and subsequent financial results.

The annual budget will then be cascaded down to each person within the organisation in the form of Key Performance Indicator ("KPI") target every year. Each person within the organisation will be assessed based on his/her actual achievement against the KPI.

7.3 Remuneration of Non-Executive, Independent Directors

Non-executive, Independent Directors receive Directors' fees, which are subject to shareholders' approval at AMs ("Directors' Fees").

Directors' Fees are structured according to the roles performed by the Non-executive, Independent Director, and whether they hold any Board Committee position, basing the payment on a scale of fees comprising a base fee, fee as AC Chairman, AC member, RC Chairman, RC member, NC Chairman, NC member, fee for acting as LID, and fee for chairing Board meetings by a Mauritius Director. If a Non-executive, Independent Director occupies a position for part of the financial year, the relevant fee(s) payable will be pro-rated accordingly.

Directors' Fees are reviewed annually by the RC and/or the Board, taking into consideration contributions, regulatory changes, responsibilities, and market benchmarks.

The RC, with the concurrence of the Board, has recommended that an aggregate amount of S$483,749 as Directors' Fees be paid to the Non-executive, Independent Directors for FY2022. These fees will be tabled for shareholders' approval at the 2023 AM.

PRINCIPLE 8: DISCLOSURE OF REMUNERATION

The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

8.1 Directors' Remuneration

The Directors' remuneration during FY2022 in bands of S$250,000 is set out in the table below:

Name of Directors	Fixed Salary	Bonus paid or payable/ Benefit	Directors' Fees	Total
EXECUTIVE DIRECTORS				
S$20,500,000 to below S$20,750,000				
Franky Oesman Widjaja	6.8%	93.2%	-	100%
S$3,500,000 to below S$3,750,000				
Muktar Widjaja	25.4%	74.6%	-	100%
S$1,750,000 to below S$2,000,000				
Rafael Buhay Concepcion, Jr.	32.6%	67.4%	-	100%
NON-EXECUTIVE, INDEPENDENT DIRECTORS				
Below S$250,000				
Willy Shee Ping Yah @ Shee Ping Yan	-	-	100%	100%
Christian G H Gautier De Charnacé	-	-	100%	100%
Soh Hang Kwang	-	-	100%	100%
Khemraj Sharma Sewraz	-	-	100%	100%
Marie Clarie Goolam Hossen	-	-	100%	100%

Variable bonus is based on performance for the same financial year.

Each Director's remuneration is expressed in bands of S$250,000 with a percentage breakdown. The Company believes that such disclosure in bands does provide a fair indication, although not in exact dollar, of each Director's remuneration package, having done so after taking into account sensitivities concerning matters of remuneration.

CORPORATE GOVERNANCE REPORT

8.2 Remuneration of Top 5 Key Management Personnel

The top 5 key management personnel who are not Directors of the Company ("KMP") as at 31 December 2022 are as follows:

+ Jesslyne Widjaja
+ The Biao Ling
+ Paul John Hickman
+ Irwan Tirtariyadi
+ Kettinger Anthony Lee

The total remuneration paid/payable during FY2022 to the top 5 KMPs amounted to S$13,636,683.

The remuneration of a KMP who is also an IFM (as defined below) is disclosed in item 8.3 below. Save for this, the Company, having taken into account that some of the above KMPs are employed and remunerated by the Company's Indonesian subsidiaries; the relevant personnel's comments; and the size of the Company and the Group's scope of business, does not believe it to be in its interest to disclose the KMPs' remuneration, due to the highly competitive human resource environment for personnel with the requisite knowledge, expertise and experience in the Group's business. In addition, such disclosure of specific remuneration information may encourage inappropriate peer comparisons and discontent, and may, in certain cases, give rise to recruitment and talent retention issues.

In view of the abovementioned reasons, the Company believes that the interests of shareholders will not be prejudiced as a result of such non-disclosure of the above KMPs' remuneration.

8.3 Remuneration of Employees who are Substantial Shareholders of the Company, or are Immediate Family Members of a Director/ CEO ("IFM") or a Substantial Shareholder of the Company

The remuneration paid during FY2022 to employees who are immediate family members of a Director or the CEO, and whose remuneration exceeds S$100,000 for FY2022, being two, Ms. Jesslyne Widjaja and Ms. Emmeline Widjaja, the daughters of the CEO, is as follows, in bands of S$250,000:

Remuneration Band	Number
S$2,750,000 to S$3,000,000	1
S$500,000 to S$750,000	1

Mr. Franky Oesman Widjaja and Mr. Muktar Widjaja are brothers and their remuneration are disclosed in item 8.1.

Other than disclosed above, none of the Directors or substantial shareholders had immediate family members who were employees and whose remuneration exceeded S$100,000 for FY2022.

IFM remuneration is disclosed in applicable bands of S$250,000, instead of bands of S$100,000, due to continuing sensitivity surrounding the issue of remuneration. The Company believes that the current format of disclosure in bands of S$250,000, is sufficient indication of each IFM's remuneration package.

III

ACCOUNTABILITY AND AUDIT
(PRINCIPLES 9 TO 10)

PRINCIPLE 9:
RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

9.1 Responsibilities for Risk Management and Internal Controls

The Board is ultimately responsible for the governance and oversight of risk by ensuring that Management maintains a sound system of risk management and internal controls, to safeguard shareholders' interests and the Group's assets, and determines the nature and extent of the significant risks which the Board is willing to take in achieving strategic objectives. The AC assists the Board in carrying out its responsibility for risk management and internal controls.

9.2 The Enterprise Risk Management ("ERM") Committee ("ERMC")

The ERMC assists Management in its role of managing risks, as part of the Group's efforts to strengthen its risk management processes and enable accountability for its adequacy and effectiveness. The ERMC comprised senior Management in the following positions during FY2022:

Chairman and CEO	-	Franky Oesman Widjaja
CFO	-	Rafael Buhay Concepcion, Jr.
Chief Operating Officer	-	Kettinger Anthony Lee
Head of Controllership and Compliance	-	Pedy Harianto
Head of Upstream Operations	-	Irwan Tirtariyadi
Head of Downstream Operations	-	Paul John Hickman

The ERMC reports to the AC which, in turn, reports to the Board. Further details on the Group's ERM activities including its key risk exposures are discussed in a separate section under "Enterprise Risk Management" on pages 38 to 45 of this Annual Report.

The Company's risk management process comprises of a disciplined and repeatable interaction structure that is inclusive of risk evaluation of strategic alternatives and operational decisions. These structures serve as a forum for the Management to highlight both favourable and adverse factors affecting the business and its performance and associated risks, and in turn creates visibility for the Board and relevant stakeholders. The Board members and Management collectively determine the materiality of the risks and appropriate strategies to address them following which appropriate risk governance structures are constituted. Governance policies are reviewed and approved by at least one Board member and one or more members of the senior Management team.

CORPORATE GOVERNANCE REPORT

9.3 Internal Controls

The Company's Controllership and Compliance Department ("CCD") formulates internal controls for implementation in the various business units. The CCD also requires business units to submit reports to monitor compliance with the significant internal control policies. In turn, the CCD reports to the Management.

The Company's internal auditors assist the AC in ensuring that the Management maintains a sound system of internal controls. The internal audit function reviews the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls established by Management. The AC, CIA and Management review and discuss notable internal audit findings, recommendations and status of remediation, during the quarterly AC meetings.

Furthermore, in the course of the statutory audit, the external auditors also perform a review of the adequacy and effectiveness of the Group's key internal controls to the extent of their scope as laid out in their audit plan. Significant non-compliance and internal control weaknesses noted during the audit are reported to the AC together with the recommendations of the external auditors.

9.4 Assurance from the CEO and CFO

The Board provided negative assurance confirmation pursuant to Rule 705(5) of the Listing Manual for the interim financial statements. For the FY2022 financial statements of GAR and its subsidiaries, the CEO and the CFO have provided assurance to the Board on their integrity and fairness.

The CEO and the CFO have given written assurance to the Board, as follows:

(a) Financial Records

The financial records of the Group for FY2022 have been properly maintained, and the FY2022 Financial Statements give a true and fair view of the Group's operations and finances in accordance with the applicable financial reporting framework that are free from material misstatement; and

(b) Risk Management and Internal Controls

The internal controls, including financial, operational, compliance and information technology controls, and risk management systems in place within the Group are adequate and effective in addressing the material risks in the Group in its current business environment.

9.5 Commentary on Adequacy and Effectiveness of Risk Management Systems and Internal Controls

The AC undertakes an annual assessment regarding the adequacy and effectiveness of the risk management systems and internal controls of the Group.

The Board is satisfied that there is appropriate and adequate review by the AC of the adequacy and effectiveness of the Company's internal controls and risk management systems established by Management. In its review, the AC had been assisted by the ERMC, the internal auditors and the external auditors.

On the basis of the assurance received from the CEO and the CFO, as well as the ERM framework established and maintained by the Company, the work performed by the ERMC, internal auditors and external auditors, the Board with the concurrence of the AC, is of the opinion that the Group's internal controls including financial, operational, compliance and information technology controls, and risk management systems, are adequate and effective to meet the needs of the Group in its current business environment.

As cybersecurity threat has been evolving and becoming greater in the last few years, the Group has progressively implemented best-in-class solutions that address data and cybersecurity risk. The Group adopts a holistic approach in its cybersecurity initiatives, not just from information technology angle, but also from a risk and compliance perspective to ensure that controls and mitigations are adequately established.

The Board noted that the Company's systems of internal controls and risk management provide reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen. Furthermore, the Board also acknowledged that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

PRINCIPLE 10: AUDIT COMMITTEE

The Board has an audit committee which discharges its duties objectively.

10.1 Audit Committee Composition and Role

The AC comprises the following Directors, all of whom, including the AC Chairman, are Non-executive, Independent Directors:

+ Christian G H Gautier De Charnacé (Appointed as AC Chairman on 1 January 2022)
+ Willy Shee Ping Yah @ Shee Ping Yan (Appointed as AC member on 1 January 2022)
+ Soh Hang Kwang (Appointed as AC member on 1 January 2022)

The Board considers that the members of the AC are appropriately qualified to discharge the responsibilities of the AC. None of the members of the AC were previous partners or directors of our external auditors, Moore Stephens LLP, and none of the members of the AC hold any financial interest in Moore Stephens LLP.

The AC has full access to and co-operation of Management and full discretion to invite any Director or executive officer to attend its meetings. Reasonable resources are made available to enable the AC to discharge its functions properly.

The AC's roles and responsibilities are described in its terms of reference. The AC has the explicit authority to investigate any matter within its terms of reference. In addition to its statutory functions, the AC considers and reviews any other matters as may be agreed to by the AC and the Board. In particular, the duties of the AC include:

(a) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance;

(b) reviewing at least annually the adequacy and effectiveness of the Group's internal controls and risk management systems;

(c) reviewing the assurance from the CEO and the CFO on the financial records and financial statements of the Group;

(d) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function;

(e) making recommendations to the Board on the proposals to the shareholders on appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors; and

(f) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on; and ensuring that the Company publicly discloses and clearly communicates to employees and other stakeholders the existence of a whistle-blowing policy and procedures for raising such concerns.

CORPORATE GOVERNANCE REPORT

10.2 Integrity of Financial Statements and Results Announcement

The AC reviewed with Management, and where relevant, with the external and internal auditors, the results announcements, annual report and financial statements, interested person transactions and corporate governance, before submission to the Board for approval and adoption.

In its review of the audited financial statements of the Group for FY2022 ("FY2022 Financial Statements"), the AC has discussed with the external auditors and Management on matters of significance which are included under "Key Audit Matters" in the Independent Auditor's Report. The AC is satisfied that those matters, ie. Valuation of investments in financial assets; and Accounting for derivative financial instruments, have been appropriately addressed. Furthermore, the external auditors did not raise any significant issue which will have a material impact on the interim financial statements previously announced by the Group.

The AC recommended to the Board the approval of the FY2022 Financial Statements. The Board has on 17 March 2023 approved the FY2022 Financial Statements.

10.3 External Auditors' Independence

Taking cognizance that the external auditors should be free from any business or other relationships with the Group that could materially interfere with their ability to act with integrity and objectivity, the AC undertook a review of the independence of the external auditors. During this process, the AC also reviews all non-audit services provided by the external auditors, Moore Stephens LLP, to satisfy itself that the nature and extent of such services would not affect their independence. The AC confirms that after reviewing all non-audit services provided by the external auditors during FY2022, they would not, in the AC's opinion, affect the external auditors' independence. Fee for audit services to the external auditors is disclosed in the Notes to the FY2022 Financial Statements on page 113 of this Annual Report.

The AC reviewed the external audit plan and scope for FY2022. The AC also met with the external auditors without the presence of Management whereby the external auditors can raise and discuss issues without restriction or interference.

The AC has reviewed the Audit Quality Indicators of the external auditors for FY2022. The AC has recommended to the Board that the external auditors be nominated for re-appointment at the 2023 AM. In appointing the audit firms for the Group, the AC is satisfied that the Company has complied with Rules 712 and 715 of the Listing Manual.

10.4 Internal Audit

The Company has established an in-house internal audit function headed by the CIA, presently, Ms. Susan Tabia Garin, who reports to the AC Chairman. On administrative matters, she reports to the CEO. The CIA has met the standards set by nationally or internationally recognised professional bodies including the Standards for the Professional Practice of Internal Auditing established by The Institute of Internal Auditors.

The AC has authority over the hiring and removal of the CIA, including decision on her remuneration package.

The internal auditors established their annual audit plan and budget in consultation with, but independent of Management. The AC reviewed and approved the annual audit plan and budget for FY2022.

The internal auditors have unfettered access to the Group's documents, records, properties and personnel, including communication with the AC. The AC has met the CIA without the presence of Management and given the opportunity to discuss unreservedly any issue or concern affecting the internal audit function.

The AC is satisfied that the internal audit function is adequately resourced, qualified, experienced, and, has appropriate standing within the Company. It is also satisfied with the independence, adequacy and effectiveness of the internal audit function. During this assessment process, the CIA also provided the AC with the qualifications and experience of the team of internal auditors.

10.5 Whistle-Blowing Procedures

The Board is committed to uphold the Company's values and standards, and has put in place whistle-blowing procedures by which employees may, in confidence and without fear of retaliation, raise concerns or complaints about possible improprieties relating to matters of financial reporting or other matters including fraud, corruption and misconduct.

The AC is responsible for oversight and monitoring of whistle-blowing, and ensuring that the Company publicly discloses and clearly communicates to employees and other stakeholders the existence of a whistle-blowing policy and procedures for raising such concerns.

Under these procedures, the AC may, if it deems appropriate, engage appropriate external independent advisors, at the Company's expense, to independently investigate concerns or complaints made in good faith, and to take appropriate follow-up actions. Significant concerns or complaints, if any, are reported to the Board.

The Company is committed to treat all complaints as confidential, and to ensure the anonymity of the whistle-blower concerned will be maintained until the whistle-blower indicates that he or she does not wish to remain anonymous, to protect the whistle-blower against detrimental or unfair treatment.

CORPORATE GOVERNANCE REPORT

IV

SHAREHOLDER RIGHTS AND ENGAGEMENT (PRINCIPLES 11 TO 12)

PRINCIPLE 11:
SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, positions and prospects.

11.1 Shareholder Rights

The Company recognises the importance of maintaining transparency and accountability to its shareholders. The Board ensures that the Company's shareholders are treated fairly and equitably, and their rights are protected.

The Company is committed to providing shareholders with adequate, timely and sufficient information pertaining to the Group's business which could be trade-sensitive or have a material impact on the Company's share price or value.

All shareholders of the Company are entitled to attend and vote at general meetings. Since 2018, following amendments to the Constitution and the Listing Manual, the Company used electronic communications to transmit annual reports and other documents to shareholders. The annual report, notice of AM and accompanying documents and communications are released via SGXNET which are also made available on the Company's website, and all shareholders of the Company receive a printed letter on how to access the said documents. They also receive the printed notice of AM, proxy form and request form for print version of the annual report and appendices.

11.2 Conduct of General Meetings

In view of the ongoing COVID-19 pandemic, the Company conducted its 2022 AM held on 29 April 2022 by electronic means via a live webcast. Shareholders were given the opportunity to communicate their views and to engage the Board and Management on the Group's business activities and financial performance by pre-submitting their questions before the 2022 AM. Directors are urged to attend shareholder meetings and all Directors were visibly present at the online 2022 AM. The external auditors, Share Registrar & Poll Agent, Scrutineer were also present online. At shareholder meetings, each distinct issue is proposed as a separate resolution.

At the 2022 AM, all substantive and relevant questions submitted by shareholders were answered, and voting was carried out only by proxy given to the Chairman of the AM. Results of the voting, as well as presentation slides and Questions and Answers, were released on SGXNET after the 2022 AM. The Minutes of the 2022 AM were also released on SGXNET and uploaded on the Company's website within one month of the event.

11.3 Dividend Policy

The Company currently aims to declare future dividends of up to 30 percent of its underlying profit, i.e. profit attributable to owners of the Company after excluding net effect of net gain or loss from changes in fair value of biological assets and depreciation of bearer plants, exceptional items and other non-operating items. The declaration, amount and payment of future dividends will depend on many factors, including results of operations; cash flow and financial condition; expansion and working capital requirements; cash dividends received from subsidiaries; future prospects; and other factors deemed relevant by the Board and our shareholders.

The Board has recommended a proposed final dividend of S$0.00991 per ordinary share for FY2022, subject to shareholders' approval at the 2023 AM. Taking into account the interim dividend of S$0.008 per ordinary share paid on 28 November 2022, total dividend for FY2022 would be S$0.01791 per ordinary share.

PRINCIPLE 12:
ENGAGEMENT WITH SHAREHOLDERS

The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

12.1 Engagement with Shareholders

We value all of our shareholders, their confidence and on-going support are the backbone of our success. We commit to nurture sound and constructive relationships with all shareholders through open, consistent and frequent engagement across multiple channels. We deliver timely, thorough and up-to-date material information to the global investing community, to support informed investment decisions.

Shareholders are encouraged to engage with GAR beyond general meetings by contacting the Investor Relations team, which is easily reachable through email at investor@goldenagri.com.sg, calls or through office visits. We also provide a comprehensive and updated website at https://www.goldenagri.com.sg that includes a dedicated investor section as well as other corporate information and developments. The dedicated investor section contains shareholder information, financial reports, corporate presentations, and SGX filings. Our Investor Relations activities are guided by the Investor Relations policy to ensure regular, effective and fair communication with shareholders and the investment community in general.

The Company does not practice selective disclosure of material information. GAR conveys material information through announcements made on SGXNET, and is required to comply with the Listing Manual on the continuous disclosure obligations. Results and annual reports are announced and issued within the specified /stipulated period. All announcements are posted immediately on the Company's website, and broadcasted through our investor mailing list, upon release via SGXNET. Shareholders and investors can subscribe to the mailing list by sending a request through email at investor@goldenagri.com.sg. We also use other social media and platforms to create wider access to corporate information.

Since 2020, in accordance with the amendments on mandatory quarterly reporting under Rule 705 of the Listing Manual, GAR has announced its unaudited financial statements for the half-year and full year in the format prescribed by the Listing Manual. We also generate explanatory materials, including management discussion and analysis in presentation slides and press releases. In keeping with GAR's commitment to provide its shareholders with prompt information, the Company provides the shareholders, on a voluntary basis, with first and third quarter abridged / key financial, operational disclosures, business commentary and outlook, which are announced on SGXNET.

Upon releasing its quarterly financial and operational performance, the Company conducts regular briefings with equity analyst and the media.

CORPORATE GOVERNANCE REPORT

In view of the continued COVID-19 pandemic, the briefings during 2022 were conducted virtually through Zoom webinars. During these briefings, senior Management reviews the most recent performance, analysis, key value drivers and metrics, and shares the Company's insights and business strategy. On this occasion, analysts, fund managers and reporters have the opportunity to raise questions to our Management. While these meetings are largely undertaken by the Company's senior Management, the Chairman and CEO also joins the analysts' briefing every year.

In addition to financial performance, GAR keeps its shareholders informed on other matters that are materially price-sensitive or trade-sensitive by announcements on SGXNET, so as to assist shareholders and investors in their investment decision-making.

We offer frequent and direct access to our senior Management. Despite the COVID-19 pandemic, throughout 2022, the Company has continued to proactively engage shareholders and the investment community via physical (when feasible) and virtual means. These include one-on-one or group meetings, investor conferences, conference calls, site visits and email correspondence. These facilitate us to interact and have meaningful discussion with existing and potential investors, and understand their views and expectations of the Company. Investors are also welcomed to address their concerns via email or calls. Likewise, we develop and maintain strong relationships with sell-side research analysts as they play an important role in informing and educating the investment community.

Over the past years, shareholders and the investment community have shown increasingly greater interest in sustainability and climate-related topics. In line with our commitment to better inform and educate the community, we frequently provide updates on our initiatives and progress on the sustainability front. This is carried out through public domains as such annual report, sustainability report, corporate website and other corporate social media channels, as well as direct discussion through meetings, calls and email communications.

After being restricted by the pandemic for two years, during 2022 we resumed to arrange investor site visits to our plantations and processing facilities, to provide investors with better understanding of our day-to-day operations and sustainability initiatives on site.

12.2 Financial Calendar 2023

28 February Announcement of Full Year 2022 results	**8 May** Last day for trading for cum dividend (scrip-less holders)	**May**** Announcement of First Quarter 2023 performance updates
3 April Release of Annual Report 2022	**10 May 5:00 PM** Record date and time	**August**** Announcement of Half Year 2023 results
24 April 2023 AM Proposed 2022 final dividend*	**11 May** Books closure date	**November**** Announcement of Third Quarter 2023 performance updates
	18 May Dividend payment date	**February 2024**** Announcement of Full Year 2023 results

Notes:

The above calendar may not list every corporate event.

* Subject to shareholders' approval at the 2023 AM.

** Indicative timeline. The exact dates will be notified about two weeks in advance, which notifications will be released via SGXNET and posted on the Company's website.

V

MANAGING STAKEHOLDER RELATIONSHIPS (PRINCIPLE 13)

PRINCIPLE 13:
ENGAGEMENT WITH STAKEHOLDERS

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

13.1 Engagement with Stakeholders

We operate in a dynamic industry, which is why engagement and close collaboration with stakeholders are important. We undertake a proactive and formal stakeholder engagement exercise. Our stakeholder engagement focuses on trying to better understand stakeholders' needs and concerns. At the same time, we want to build our stakeholders' understanding of our business and the realities of the palm oil industry on the ground.

Operating and producing sustainable palm oil involves facing complex and multi-faceted challenges, while our most important stakeholders also continuously evolve. We constantly review the way we communicate with our stakeholders.

Through a stakeholder mapping exercise, we have identified the stakeholder groups that are fundamental to the sustainability of our operations, and which have a significant interest in the impact of our material sustainability topics. We adopt a tailored approach to ensure regular engagement with each of these groups.

OUR KEY STAKEHOLDERS

- Customers and consumers
- Employees
- Financial community (investors, banks, financial analysts)
- Governments and regulatory bodies
- Industry bodies and trade associations
- Local communities
- Media
- Civil Society Organisations (CSOs)
- Suppliers
- Certification bodies: RSPO, ISPO, ISCC

CORPORATE GOVERNANCE REPORT

13.2 Key Areas of Focus in our Engagement with Stakeholders

We believe that enhanced mutual understanding will support the development of more effective solutions and partnerships, which can better balance environmental protection with the economic and social needs of our stakeholders.

Key areas of concerns and focus of our stakeholders as well as the ways in which we interact with our stakeholders and the outcomes of the engagement are fully detailed on our website.

VI

DEALINGS IN SECURITIES

The Company complies with Rule 1207(19) of the Listing Manual on dealings in securities, and has devised and adopted its own internal compliance code to provide guidance with regard to dealings in the Company's securities by the Company, its Directors and officers, including prohibition on dealing in the Company's securities on short-term considerations.

Dealings in the Company's securities are prohibited during the period commencing (i) two weeks before announcement of the Company's first, second and third quarter results (if the Company announces its quarterly results, whether required by the SGX-ST or otherwise) and (ii) one month before the announcement of the Company's half year and full year results (if the Company does not announce its quarterly results), and ending on the date of the announcement of the results. Such dealings in the Company as well as other listed companies' securities are also prohibited whilst in possession of unpublished material price-sensitive information in relation to those securities.

VII

INTERESTED PERSON TRANSACTIONS

Particulars of interested person transactions required to be disclosed under Rule 907 of the Listing Manual are as follows:

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 ("SML")	#1	Nil	355,757
Subsidiaries of SML:			
PT Bumi Serpong Damai Tbk	#1	Nil	591,167
PT Duta Cakra Pesona	#1	Nil	1,671,828
PT Royal Oriental	#1	Nil	1,603,249
Subsidiary of Golden Energy and Resources Limited:			
PT Roundhill Capital Indonesia ("RCI")#2	#1	Nil	32,491,032
Subsidiary of PT Dian Swastatika Sentosa Tbk:			
PT Rolimex Kimia Nusamas ("RKN")#3	#1	Nil	133,181,456
Subsidiaries of PT Sinar Mas Multiartha Tbk:			
PT Asuransi Sinar Mas	#1	Nil	5,483,768
PT Bank Sinarmas Tbk ("BSM")#4	#1	Nil	34,723,356
PT Indah Kiat Pulp & Paper Tbk	#1	Nil	903,793
PT Pindo Deli Pulp and Paper Mills	#1	Nil	309,257
PT Cakrawala Mega Indah ("CMI")#5	#1	Nil	16,023,717
PT Kreasi Kotakmegah	#1	Nil	923,919
Asia Pulp & Paper Company Limited	#1	Nil	335,397
Ningbo Asia Pulp & Paper Co., Ltd	#1	Nil	453,587
Total		**Nil**	**229,051,283**

Notes:

* Renewed at AM on 29 April 2022 pursuant to Rule 920 of the 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 Purchase of coal from RCI.

#3 Purchase of fertilizers, agrichemicals and oil, lubricant and grease from RKN; sale of oleochemical and by-products biodiesel to RKN.

#4 Time deposits and current account placements with BSM during the year. Principal amount of placements, including deposits and bank balances, as at 31 December 2022 is approximately USD4.16 million.

#5 Purchase of paper products and chemicals from CMI.

CORPORATE GOVERNANCE REPORT

ADDITIONAL REQUIREMENTS UNDER RULE 720(6) OF THE LISTING MANUAL

Information relating to Directors seeking re-election at the 2023 AM is as follows:

NAME OF DIRECTOR	Christian G H Gautier De Charnacé ("CGDC")	Khemraj Sharma Sewraz ("SS")	Willy Shee Ping Yah @ Shee Ping Yan ("WS")
Date of Appointment	13 November 2018	15 November 2019	1 January 2022
Date of Last Re-Appointment (if applicable)	29 April 2022	29 April 2022	29 April 2022
Age	73	72	74
Country of Principal Residence	Thailand	Mauritius	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations and the search and nomination process)	Please refer to item 4.4 on page 56 of this Annual Report	Please refer to item 4.4 on page 56 of this Annual Report	Please refer to item 4.4 on page 56 of this Annual Report
Whether appointment is executive, and if so, the area of responsibility	No	No	No
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-executive, Independent Director Chairman of AC and NC Member of RC	Non-executive, Independent Director	Non-executive, Lead Independent Director Chairman of RC Member of AC and NC
Professional qualifications Working experience and occupation(s) during the past 10 years	Please refer to page 34 of this Annual Report	Please refer to page 36 of this Annual Report	Please refer to page 35 of this Annual Report
Shareholdings interest in the listed issuer and its subsidiaries	Please refer to item 3 on page 78 of this Annual Report	Nil	Nil

NAME OF DIRECTOR	CGDC	SS	WS
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil	Nil	Nil
Conflict of interests (including any competing business)	Nil	Nil	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Other Principal Commitments* Including Directorships#	**Past (for the last 5 years)** + Millennium & Copthorne Hotels PLC (Delisted) **Present** + Hong Leong Finance Limited + PT BNP Paribas Sekuritas Indonesia	**Past (for the last 5 years)** + Al Jawaaz Holdings Ltd **Present** + Crowe ATA + Crowe Mozambique Limitada + Chexsys Consulting Ltd + HS Corporate Services Ltd	**Past (for the last 5 years)** + Ascendas Hospitality Fund Management Pte Ltd + Ascendas Hospitality Trust Management Pte Ltd + Keppel Land Limited + Mercatus Co-Operative Ltd + NTUC Fairprice Co-Operative Ltd + Sabana Real Estate Investment Management Pte Ltd **Present** + CBRE Pte Ltd + Bund Center Investment Ltd + Shanghai Golden Bund Real Estate Co., Ltd + Sinarmas Land Limited

* "Principal Commitments" has the same meaning as defined in the Code.
\# These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9)

CORPORATE GOVERNANCE REPORT

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.

	NAME OF DIRECTOR	CGDC	SS	WS
(a)	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
(b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c)	Whether there is any unsatisfied judgment against him?	No	No	No
(d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No
(e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
(f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No

	NAME OF DIRECTOR	CGDC	SS	WS
(g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
(h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
(i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No
(j)	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:- (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No
(k)	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Franky Oesman Widjaja (Chairman)
Muktar Widjaja
Rafael Buhay Concepcion, Jr.
Christian G H Gautier De Charnacé
Willy Shee Ping Yah @ Shee Ping Yan
Soh Hang Kwang
Khemraj Sharma Sewraz
Marie Claire Goolam Hossen

AUDIT COMMITTEE

Christian G H Gautier De Charnacé (Chairman)
Willy Shee Ping Yah @ Shee Ping Yan
Soh Hang Kwang

NOMINATING COMMITTEE

Christian G H Gautier De Charnacé (Chairman)
Willy Shee Ping Yah @ Shee Ping Yan
Franky Oesman Widjaja

REMUNERATION COMMITTEE

Willy Shee Ping Yah @ Shee Ping Yan (Chairman)
Christian G H Gautier De Charnacé
Franky Oesman Widjaja

SECRETARY

IQ EQ Corporate Services (Mauritius) Ltd

REGISTERED OFFICE

c/o IQ EQ Corporate Services (Mauritius) Ltd
33 Edith Cavell Street
Port Louis, 11324
Mauritius
Tel: (230) 212 9800
Fax: (230) 212 9833

CORRESPONDENCE ADDRESS

108 Pasir Panjang Road #06-00
Golden Agri Plaza
Singapore 118535
Tel: (65) 6590 0800
Fax: (65) 6590 0887

INVESTOR RELATIONS

Richard Fung
Email: investor@goldenagri.com.sg

SHARE REGISTRAR AND TRANSFER OFFICE

B.A.C.S. Private Limited
77 Robinson Road
#06-03 Robinson 77
Singapore 068896
Tel: (65) 6593 4848

AUDITORS

Moore Stephens LLP
Chartered Accountants of Singapore
10 Anson Road #29-15
International Plaza
Singapore 079903
Tel: (65) 6221 3771
Fax: (65) 6221 3815
Partner-in-charge:
Neo Keng Jin
(Appointed during the financial year ended 31 December 2019)

Moore Mauritius
Chartered Accountants
6th Floor, Newton Tower
Sir William Newton Street
Port Louis, Republic of Mauritius
Tel: (230) 211 6535
Fax: (230) 211 6964
Partner-in-charge:
Shweta Moheeput, ACA
(Appointed during the financial year ended 31 December 2019)

DATE AND COUNTRY OF INCORPORATION

15 October 1996
Republic of Mauritius

SHARE LISTING

The Company's shares are listed on the Singapore Exchange Securities Trading Limited

DATE OF LISTING

9 July 1999

FINANCIAL REPORTS

GOLDEN AGRI-RESOURCES LTD
(Incorporated in Mauritius)
AND ITS SUBSIDIARIES

REPORT OF THE DIRECTORS AND CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2022

REPORT OF THE DIRECTORS

31 DECEMBER 2022

The directors are pleased to present their report to the members together with the audited financial statements of Golden Agri-Resources Ltd ("GAR" or the "Company") and its subsidiaries (the "Group") for the financial year ended 31 December 2022.

1 Directors

The directors of the Company in office at the date of this report are:

Franky Oesman Widjaja
Muktar Widjaja
Rafael Buhay Concepcion, Jr.
Christian G H Gautier De Charnacé
Willy Shee Ping Yah @ Shee Ping Yan
Soh Hang Kwang
Khemraj Sharma Sewraz
Marie Claire Goolam Hossen

2 Arrangements to Enable Directors to Acquire Benefits by Means of the Acquisition of Shares and Debentures

Except as disclosed in the consolidated financial statements, neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object was to enable the directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

3 Directors' Interests in Shares and Debentures

The directors of the Company holding office at 31 December 2022 had no interests in the shares, share awards, convertible securities or debentures of the Company and related corporations as recorded in the Register of Directors' Interests as at 31 December 2022 and 21 January 2023, except as follows:

	Shareholdings registered in the name of directors or their spouse or their nominees		Shareholdings in which directors are deemed to have an interest	
Name of directors in which interests are held	At the beginning of the year	At the end of the year	At the beginning of the year	At the end of the year
The Company	Shares of US$0.025 each			
Christian G H Gautier De Charnacé	352,000	352,000	-	-

There was no change in any of the above-mentioned interests between the end of the financial year and 21 January 2023.

4 Directors' Receipt and Entitlement to Contractual Benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he/she is a member, or with a company in which he/she has a substantial financial interest except that certain directors have received remuneration from related corporations in their capacity as directors and/or executives of those related corporations and except as disclosed in the notes to the consolidated financial statements.

There were certain transactions (shown in the consolidated financial statements) with corporations in which certain directors have an interest.

5 Options

There were no options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of an option to take up unissued shares of the Company.

There were no unissued shares under option at the end of the financial year in respect of shares of the Company.

6 Audit Committee

At the date of this report, the Audit Committee ("AC") comprises the following 3 directors, all of whom, including the AC Chairman, are Non-executive, Independent Directors:

Christian G H Gautier De Charnacé
Willy Shee Ping Yah @ Shee Ping Yan
Soh Hang Kwang

The AC has the explicit authority to investigate any matter within its terms of reference.

In addition to its statutory functions, the AC considers and reviews any other matters as may be agreed to by the AC and the board of directors ("Board"). In particular, the duties of the AC include:

(a) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance;

(b) reviewing at least annually the adequacy and effectiveness of the Group's internal controls and risk management systems;

(c) reviewing the assurance from the Chief Executive Officer and the Chief Financial Officer on the financial records and financial statements of the Group;

(d) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function;

(e) making recommendations to the Board on the proposals to the shareholders on appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors; and

(f) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on; and ensuring that the Company publicly discloses and clearly communicates to employees and other stakeholders the existence of a whistle-blowing policy and procedures for raising such concerns.

REPORT OF THE DIRECTORS

31 DECEMBER 2022

6 Audit Committee (cont'd)

The AC reviews with Management, and where relevant, with the external and internal auditors, the results announcements, annual report and financial statements, interested person transactions and corporate governance, before submission to the Board for approval and adoption.

In performing its functions, the AC meets with the internal and external auditors, and reviews the audit plans and overall scope of both internal and external audits, and the co-operation and assistance given by Management to the respective auditors. The AC also meets separately with the internal and external auditors at least annually, whereby any issues may be raised directly to the AC, without the presence of Management. The internal and external auditors have unfettered access to the AC.

The AC has recommended to the Board that Moore Stephens LLP, Public Accountants and Chartered Accountants, be nominated for re-appointment at the forthcoming annual meeting.

7 Independent Auditors

The independent auditors, Moore Stephens LLP, Public Accountants and Chartered Accountants, have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors,

FRANKY OESMAN WIDJAJA
Director

RAFAEL BUHAY CONCEPCION, JR.
Director

Date: 17 March 2023

STATEMENT BY THE DIRECTORS

31 DECEMBER 2022

In the opinion of the directors, the consolidated financial statements set out on pages 86 to 165 are drawn up so as to give a true and fair view of the state of affairs of the Group as at 31 December 2022 and of the results of the business, changes in equity and cash flows of the Group for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due.

On behalf of the Board of Directors,

FRANKY OESMAN WIDJAJA
Director

RAFAEL BUHAY CONCEPCION, JR.
Director

Date: 17 March 2023

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GOLDEN AGRI-RESOURCES LTD (Incorporated in Mauritius)

Opinion

We have audited the consolidated financial statements of Golden Agri-Resources Ltd (the "Company") and its subsidiaries (the "Group") which comprise the consolidated statement of financial position of the Group as at 31 December 2022, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2022, and its consolidated financial performance, consolidated statement of changes in equity and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investments in financial assets

We refer to Note 3(k), Note 4(a)(iv), Note 14, Note 20 and Note 40 to the consolidated financial statements. The Group holds interests in its portfolio companies via various types of financial instruments, comprising quoted and unquoted equity securities, unquoted funds, convertible instruments and unquoted debt securities. The carrying value of the financial assets at fair value through other comprehensive income ("FVOCI") amounted to US$862.7 million and financial assets at fair value through profit or loss ("FVTPL") amounted to US$403.5 million. These accounted for approximately 13% of the Group's total assets as at 31 December 2022.

Investments of unquoted investment funds, which are classified as Level 3 in the fair value hierarchy, were determined by reference to fund statements provided by external fund managers and valuation reports provided by independent professional valuers. The other funds are valued based on third party information such as fund statements provided by financial institutions/external fund managers or quoted market prices.

Our approach to the review of the valuation of investments included assessing the appropriateness of the valuation methodologies adopted, evaluating the independent external valuers' competence, capability and objectivity in the valuation of the investments in financial assets, reviewing the reasonableness of inputs applied, involving our valuation specialists to assess the valuation methodologies, valuation assumptions and inputs used by management and conducting a detailed discussion with the Group's key management and external valuers' on the assumptions used.

We found the valuation estimates determined by the Group are within a reasonable range of outcomes.

(cont'd)

Key Audit Matters *(cont'd)*

Accounting for derivative financial instruments

We refer to Note 3(l), Note 4(a)(iv) and Note 39 to the consolidated financial statements. The Group enters into derivative financial instruments such as forward currency contracts and various commodity futures and options. During the financial year, the Group recognised derivative financial instruments at fair value through profit or loss.

As at 31 December 2022, the Group's total derivative financial instruments that were carried at fair value comprised financial assets and financial liabilities of US$10.9 million and US$43.9 million respectively. The determination of the fair values of the derivative financial instruments involves significant judgements and is subject to estimation uncertainty as subjective variables need to be used in order to derive the fair values.

We checked management's process and computation to derive the fair value and recomputed the unrealised gains/losses on the firm commodity commitment contracts. For other types of derivative financial instruments, we independently obtained statements from banks and other financial institutions to compare against the fair values of the derivatives recorded.

We found management's assessment of the fair value of derivative financial instruments to be reasonable.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Consolidated Financial Statements

Management is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Group's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GOLDEN AGRI-RESOURCES LTD (Incorporated in Mauritius)

(cont'd)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(cont'd)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (cont'd)

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Neo Keng Jin.

Moore Stephens LLP
Public Accountants and
Chartered Accountants

Singapore
Date: 17 March 2023

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 US$'000	2021 US$'000
Revenue	5	11,438,798	10,182,536
Cost of sales	6	(8,413,220)	(7,827,926)
Gross profit		3,025,578	2,354,610
Operating expenses			
Selling expenses	7	(1,233,696)	(1,272,233)
General and administrative expenses	7	(336,653)	(353,790)
		(1,570,349)	(1,626,023)
Operating Profit		1,455,229	728,587
Other income/(expenses)			
Financial income	8	33,861	23,015
Financial expenses	8	(186,508)	(164,833)
Share of results of associated companies		3,892	4,003
Share of results of joint ventures		70,559	34,432
Foreign exchange gain		6,060	32,432
Write-back of/(Provision for) expected credit loss on trade and non-trade receivables	10	6,480	(581)
Other (expenses)/income	9	(154,263)	69,396
		(219,919)	(2,136)
Exceptional item			
Allowance for impairment loss on property, plant and equipment	24	(409)	(941)
Profit before income tax	10	1,234,901	725,510
Income tax	11	(388,361)	(198,929)
Profit for the year		846,540	526,581
Attributable to:			
Owners of the Company		782,103	476,179
Non-controlling interests		64,437	50,402
		846,540	526,581
Earnings per ordinary share (US cents per share)			
Basic and diluted	12a	6.17	3.75

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 US$'000	2021 US$'000
Profit for the year		846,540	526,581
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss:			
Net actuarial gain on post-employment benefits	38	9,813	5,755
Share of other comprehensive (loss)/income of:			
A joint venture		-	5
An associated company		(11)	9
Changes in fair value of financial assets at fair value through other comprehensive income	40	(233,770)	45,577
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences on consolidation		(57,590)	(2,655)
Share of other comprehensive income/(loss) of:			
Joint ventures		(3,790)	499
Associated companies		(1,732)	(138)
Other comprehensive (loss)/income, net of income tax		(287,080)	49,052
Total comprehensive income for the year		559,460	575,633
Total comprehensive income attributable to:			
Owners of the Company		507,241	526,554
Non-controlling interests		52,219	49,079
		559,460	575,633

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Note	2022 US$'000	2021 US$'000
Assets			
Current Assets			
Cash and cash equivalents	13	691,065	498,870
Short-term investments	14	454,048	167,147
Trade receivables	15	790,779	782,942
Other current assets	16	576,519	507,687
Biological assets	17	75,731	92,356
Inventories	18	1,570,356	1,383,155
		4,158,498	3,432,157
Non-Current Assets			
Long-term receivables and assets	19	128,508	170,533
Long-term investments	20	1,249,399	1,480,592
Investment in associated companies	21	22,399	25,592
Investment in joint ventures	22	247,645	183,896
Investment properties	23	90	104
Property, plant and equipment	24	2,472,708	2,602,424
Bearer plants	25	1,347,635	1,396,471
Deferred tax assets	26	107,292	138,384
Intangible assets	27	167,898	177,958
		5,743,574	6,175,954
Total Assets		**9,902,072**	**9,608,111**

The accompanying notes form an integral part of these financial statements.

	Note	2022 US$'000	2021 US$'000
Liabilities and Equity			
Current Liabilities			
Short-term borrowings	28	1,737,828	1,545,543
Bonds and notes payable	30	98,285	90,999
Lease liabilities	31	7,617	11,966
Trade and trust receipts payables	32	583,828	679,703
Other payables	33	573,983	514,589
Taxes payable	11	192,348	91,993
		3,193,889	2,934,793
Non-Current Liabilities			
Long-term borrowings	29	655,630	974,286
Bonds and notes payable	30	465,795	357,800
Lease liabilities	31	18,427	17,120
Deferred tax liabilities	26	166,738	166,824
Long-term payables and liabilities	34	147,244	265,284
		1,453,834	1,781,314
Total Liabilities		4,647,723	4,716,107
Equity Attributable to Owners of the Company			
Issued capital	36	320,939	320,939
Share premium		1,216,095	1,216,095
Treasury shares	36	(39,825)	(37,517)
Other paid-in capital		184,318	184,318
Other reserves			
Option reserve		31,471	31,471
Currency translation reserve		(62,007)	(11,476)
Fair value reserve		(123,581)	110,189
PRC statutory reserve		4,494	4,353
Other reserve		41,012	41,452
		(108,611)	175,989
Retained earnings		3,428,545	2,817,567
		5,001,461	4,677,391
Non-Controlling Interests		252,888	214,613
Total Equity		5,254,349	4,892,004
Total Liabilities and Equity		**9,902,072**	**9,608,111**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Attributable to Owners of the Company								
	Issued Capital	Share Premium	Treasury Shares	Other Paid-in Capital	Other Reserves	Retained Earnings	Total	Non-Controlling Interests	Total Equity
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Balance at 1.1.2022	320,939	1,216,095	(37,517)	184,318	175,989	2,817,567	4,677,391	214,613	4,892,004
Profit for the year	-	-	-	-	-	782,103	782,103	64,437	846,540
Other comprehensive loss	-	-	-	-	(274,721)	(141)	(274,862)	(12,218)	(287,080)
Total comprehensive (loss)/income for the year	-	-	-	-	(274,721)	781,962	507,241	52,219	559,460
Dividends (Note 37)	-	-	-	-	-	(170,984)	(170,984)	-	(170,984)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	(24,586)	(24,586)
Shares buy-back and held as treasury shares (Note 36)	-	-	(2,308)	-	-	-	(2,308)	-	(2,308)
Adjustment to changes in interest in subsidiaries (Note 46h)	-	-	-	-	(9,879)	-	(9,879)	9,879	-
Deconsolidation of subsidiaries (Note 41a)	-	-	-	-	-	-	-	857	857
Waiver of loan from non-controlling shareholder written-back	-	-	-	-	-	-	-	(94)	(94)
Balance at 31.12.2022	320,939	1,216,095	(39,825)	184,318	(108,611)	3,428,545	5,001,461	252,888	5,254,349
Balance at 1.1.2021	320,939	1,216,095	(37,517)	184,318	125,465	2,436,627	4,245,927	185,687	4,431,614
Profit for the year	-	-	-	-	-	476,179	476,179	50,402	526,581
Other comprehensive income/(loss)	-	-	-	-	50,398	(23)	50,375	(1,323)	49,052
Total comprehensive income for the year	-	-	-	-	50,398	476,156	526,554	49,079	575,633
Dividends (Note 37)	-	-	-	-	-	(95,216)	(95,216)	-	(95,216)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	(20,031)	(20,031)
Capital subscribed by non-controlling shareholders (Note 41b)	-	-	-	-	126	-	126	(122)	4
Balance at 31.12.2021	320,939	1,216,095	(37,517)	184,318	175,989	2,817,567	4,677,391	214,613	4,892,004

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 US$'000	2021 US$'000
Cash flows from operating activities			
Profit before income tax		1,234,901	725,510
Adjustments for:			
Depreciation of investment properties	23	5	6
Depreciation of property, plant and equipment	24	281,158	226,116
Depreciation of bearer plants	25	109,144	115,276
Amortisation of intangible assets		7,434	23,536
Net loss/(gain) from changes in fair value of biological assets	17	16,625	(5,858)
Unrealised foreign exchange gain		(11,293)	(1,755)
Share of results of associated companies		(3,892)	(4,003)
Share of results of joint ventures		(70,559)	(34,432)
Gain on deconsolidation of subsidiaries	41a	(1,988)	-
Gain on disposal of certain interest in an associated company	41a	(969)	-
Loss on disposal of an associated company	46e	2,564	-
Gain on disposal of property, plant and equipment	9	(2,486)	(1,416)
Bearer plants and property, plant and equipment written off	9	1,572	1,214
(Write-back of)/Provision for expected credit loss on:			
Trade receivables, net	10	(72)	208
Non-trade receivables, net	10	(6,408)	373
Allowance for impairment loss on:			
Inventories, net		3,111	12,153
Property, plant and equipment	24	409	941
Changes in fair value of financial assets at fair value through profit or loss	9	211,873	(43,544)
Goodwill written off	27	1,439	-
Non-trade receivables written off	9	-	1,510
Deferred charges written off		-	87
Interest income	8	(33,861)	(23,015)
Interest expense	8	182,493	160,922
Operating cash flows before working capital changes		1,921,200	1,153,829
Changes in operating assets and liabilities:			
Trade receivables		(7,713)	(45,945)
Other receivables		(17,202)	(1,598)
Inventories		(189,037)	(459,888)
Trade and trust receipts payables		(95,875)	75,343
Other payables		(105,435)	16,082
Cash generated from operations		1,505,938	737,823
Interest paid		(173,674)	(147,565)
Interest received		26,906	16,390
Tax paid		(274,040)	(40,027)
Net cash generated from operating activities		1,085,130	566,621

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 US$'000	2021 US$'000
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		5,429	4,515
Proceeds from disposal of bearer plants		1,462	1,600
Capital expenditure on property, plant and equipment		(161,233)	(119,584)
Capital expenditure on bearer plants	25	(35,831)	(84,275)
Payments for investment in financial assets		(734,857)	(458,919)
Redemption/Return of capital from investment in financial assets		233,303	467,462
Proceeds from/(Investments in) Plasma/KKPA program plantations, net		927	(2,486)
Investment in an associated company and a joint venture	46d,46f	(2,563)	-
Cash outflow from deconsolidation of subsidiaries	41a	(117)	-
Proceeds from disposal of certain interest in an associated company	41a	1,000	-
Proceeds from disposal of an associated company	46e	4,306	-
Dividend received from joint ventures		3,000	4,000
Dividend received from an associated company		1,121	1,224
Payments for intangible assets	27	(2,587)	(3,258)
Increase in long-term receivables and assets		(19,221)	(6,472)
Net cash used in investing activities		(705,861)	(196,193)
Cash flows from financing activities			
Proceeds from short-term borrowings		5,686,341	4,581,069
Proceeds from long-term borrowings		266,601	309,394
Proceeds from bonds and notes issue	35	251,402	339,359
Payments of dividends		(195,570)	(115,247)
Payments of short-term borrowings		(5,649,128)	(4,925,399)
Payments of long-term borrowings		(407,485)	(284,227)
Payments for shares buy-back	36	(2,308)	-
Payments of principal element of lease liabilities	35	(13,015)	(18,431)
Payments of bonds and notes payable	35	(87,808)	(152,627)
Capital subscribed by non-controlling shareholders	41b	-	4
Payments of deferred bond and loan charges and bank loan administration costs		(4,354)	(6,548)
Increase in cash in banks and time deposits pledged		(137,543)	(10,009)
Net cash used in financing activities		(292,867)	(282,662)
Net increase in cash and cash equivalents		86,402	87,766
Cash and cash equivalents at the beginning of the year		485,113	399,173
Effect of exchange rate changes on cash and cash equivalents		(31,750)	(1,826)
Cash and cash equivalents at the end of the year	13	539,765	485,113

The accompanying notes form an integral part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2022

These notes form an integral part of and should be read in conjunction with the accompanying consolidated financial statements.

1 General

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 and principal place of business of the subsidiaries, associated companies and joint ventures are described in Note 46 to the consolidated financial statements. The controlling shareholders of the Company comprise certain members of the Widjaja Family.

The consolidated financial statements as at and for the year ended 31 December 2022 were authorised for issue by the Board of Directors on 17 March 2023.

2 New and Revised International Financial Reporting Standards ("IFRSs")

(a) Adoption of New and Revised IFRSs

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and revised IFRSs issued that are relevant to its operations and effective for annual periods beginning on 1 January 2022. The adoption of these new and revised IFRSs has had no material financial impact on the financial statements of the Group.

(b) New and Revised IFRSs issued but not yet effective

As at the date of these financial statements, the Group has not adopted the following amendments to the standards that have been issued but are not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to IAS 1, *Disclosure of Accounting Policies* and IFRS Practice Statement 2*, Making Materiality Judgements*	1 January 2023
Amendments to IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates*	1 January 2023
Amendments to IAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	1 January 2023
Amendments to IAS 1, *Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current*	1 January 2024
Amendments to IAS 1, *Presentation of Financial Statements - Non-Current Liabilities with Covenants*	1 January 2024
Amendments to IFRS 16, *Leases – Lease Liability in a Sale and Leaseback*	1 January 2024

The directors of the Company expect the adoption of the amendments to the standards above will have no material impact on the consolidated financial statements in the period of initial application.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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3 Summary of Significant Accounting Policies

(a) Basis of Preparation

The consolidated financial statements are prepared on the historical cost basis, except as disclosed in the accounting policies below. The consolidated financial statements are prepared in accordance with IFRSs.

The preparation of financial statements requires the use of estimates and judgements that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses as well as the disclosures of contingent assets and liabilities. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from these estimates.

Critical accounting estimates and assumptions used that are significant to the consolidated financial statements, and areas involving a higher degree of judgement or complexity, are disclosed in Note 4 to the consolidated financial statements.

(b) Functional and Presentation Currency

The functional currency of the Company, its Indonesian subsidiaries and a number of its other subsidiaries is the United States dollar. Because of the international nature of the crude palm oil and soybean products that the Group is principally engaged in and the fact that the transactions are usually denominated in or derived from United States dollar, the directors are of the opinion that the United States dollar reflects the primary economic environment in which the entities operate.

The 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.

(c) Foreign Currencies

Foreign currency transactions are translated into the respective functional currencies of the companies in the Group at the exchange rates prevailing at the time the transactions are entered into. Currency translation differences arising from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at exchange rates prevailing at the end of the reporting period are recognised in the income statement.

Non-monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rates prevailing at the date of transactions. Non-monetary items that are measured at fair value in foreign currency are translated using the exchange rate at the date that the fair value was determined.

In the preparation of the consolidated financial statements, the financial statements of those subsidiaries whose functional currency is not the United States dollar (i.e. "foreign entities") have been translated to United States dollar, the presentation currency of the Company, as follows:

- assets and liabilities are translated at the exchange rates approximating those prevailing at the end of the reporting period;
- share capital and reserves are translated at historical exchange rate; and
- income and expenses are translated at the average exchange rates for the period (unless the average rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case, income and expenses are translated using the exchange rates at the dates of the transactions).

3 Summary of Significant Accounting Policies (cont'd)

(c) Foreign Currencies (cont'd)

Exchange differences arising from the above translations are recognised in other comprehensive income and these are accumulated in currency translation reserve within equity. Such cumulative translation differences are reclassified from equity to the income statement in the period in which the foreign entity is disposed of.

On consolidation, exchange differences arising from the translation of the net investments in foreign entities (including monetary items that in substance form part of the net investments in foreign entities) are recognised in other comprehensive income.

(d) Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (the "Group") made up to 31 December.

Subsidiaries are entities over which any of the Group companies have control. The Group companies control an entity if and only if they have power over the entity and when they are exposed to, or have rights to variable returns from their involvement with the entity, and have the ability to use their power over the entity to affect those returns. The Group will re-assess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are fully consolidated from the date on which control is transferred to the Group companies and are deconsolidated from the date that control ceases.

In preparing the consolidated financial statements, material inter-company transactions between Group entities are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

With the exception of business combinations involving entities under common control, acquisitions of subsidiaries are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group applies the acquisition method to account for business combinations when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether an integrated set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create output. The Group has an option to apply a 'fair value concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test can be applied on a transaction-by-transaction basis. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable assets or group of similar identifiable assets. If the test is met, the set of activities and assets is determined not to be a business and no further assessment is needed. If the test is not met, or if the Group elects not to apply the test, a detailed assessment must be performed applying the normal requirements in IFRS 3, *Business Combinations*.

Acquisition related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling interests' share of changes in equity since the date of the combination.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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3 Summary of Significant Accounting Policies (cont'd)

(d) Basis of Consolidation (cont'd)

Changes in the Group's interest in a subsidiary that do not result in loss of control are accounted for as transactions with equity owners of the Company. Any difference between the change in carrying amounts of the non-controlling interest and the value of consideration paid or received is recognised in other reserves, within equity attributable to the owners of the Company.

Business combinations which involve the transfer of net assets or the exchange of shares between entities under common control are accounted for as a uniting of interests. The financial information included in the consolidated financial statements reflects the combined results of the entities concerned as if the merger had been in effect for all periods presented.

(e) Associated Companies and Joint Ventures

Associated companies are entities in which the Group has significant influence but not control, which generally occurs when the Group holds, directly or indirectly, 20% or more of the voting power of the investee, or is in a position to exercise significant influence on the financial and operating policy decisions.

Joint ventures are entities over which the Group has contractual arrangements to jointly share the control over the economic activity of the entities with one or more parties and have rights to the net assets of the arrangements.

The Group accounts for its investment in associated companies and joint ventures using the equity method from the date on which it becomes an associated company or joint venture.

On acquisition of the investment, the cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Any excess of the cost of investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is included in the carrying amount of the investments. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment, the Group will reassess whether it has correctly identified all of the assets acquired and liabilities assumed, and any excess thereafter is included as income in the determination of the entity's share of the associate or joint venture's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in associated companies or joint ventures are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associated companies or joint ventures. The Group's share of post-acquisition profit or losses are recognised in the income statement and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distributions received from the associated companies or joint ventures are adjusted against the carrying amount of the investments. Unrealised gains on transactions between the Group and its associated companies or joint ventures are eliminated to the extent of the Group's interest in the associated companies or joint ventures. Unrealised losses are also eliminated unless transactions provide evidence of impairment of the assets transferred.

When the Group's share of losses in an associated company or joint venture equals to or exceeds its interest in the associated company or joint venture, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations to make or has made payments on behalf of the associated company or joint venture.

The financial statements of the associated companies and joint ventures are prepared as the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

3 Summary of Significant Accounting Policies (cont'd)

(f) Investment Properties

Investment properties are properties held either to earn rental income or for capital appreciation or both.

Investment properties are carried at cost less accumulated depreciation and any impairment losses where the recoverable amount of the asset is estimated to be lower than its carrying amount. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful lives, or where shorter, the terms of the relevant leases of 45 years.

The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use.

The residual values and useful lives of investment properties are reviewed, and adjusted as appropriate, at the end of each reporting period.

(g) Property, Plant and Equipment

Property, plant and equipment are carried at cost, less accumulated depreciation and any impairment losses where the recoverable amount of the asset is estimated to be lower than its carrying amount.

Freehold land is not depreciated. Depreciation is calculated using the straight-line method to allocate the depreciable amount over the following estimated useful lives:

	No. of years
Storage tanks, land improvements and bridges	- 2 to 50
Buildings	- 2 to 50
Machinery and equipment	- 4 to 25
Leasehold improvements, furniture and fixtures	- 3 to 10
Transportation equipment	- 2 to 16

Land rights are carried at cost less any impairment losses and not subject to amortisation except for those which have finite economic lives are amortised over the terms of the land rights, which range from 46 to 50 years. Amortisation commences upon obtaining regulatory approval from the relevant authorities.

The residual values and estimated useful lives of property, plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposed. Any gains or losses on disposal of property, plant and equipment are recognised in the income statement in the year of disposal.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

3 Summary of Significant Accounting Policies (cont'd)

(g) Property, Plant and Equipment (cont'd)

The cost of maintenance and repairs is charged to the income statement as incurred; significant renewals and improvements are capitalised. When assets are retired or otherwise disposed of, their carrying amounts are derecognised and any resulting gains or losses are recognised in the income statement.

The cost of construction in progress represents all costs (including borrowing costs on such borrowings) attributable to bringing the constructed asset to its working condition and getting it ready for its intended use. The accumulated costs will be reclassified to the appropriate asset class when the construction is completed. No depreciation charge is provided for construction in progress until the assets are transferred and used in operations.

(h) Bearer Plants

Bearer plants are living plants that are used in the production or supply of agricultural produce, which are expected to bear produce for more than one period. Bearer plants (oil palm trees) include mature plantations (fresh fruit bunches), immature plantations and nursery that are established or acquired by the Group.

Mature plantations are stated at cost, less accumulated depreciation and any impairment losses where the recoverable amount of the asset is estimated to be lower than its carrying amount. Depreciation is charged so as to write off the cost of mature plantations, using the straight-line method, over the estimated useful lives of 25 years.

Costs incurred in the preparation of the nursery, purchase of seedlings and their maintenance are stated at cost. The accumulated costs will be transferred to immature plantations account at the time of planting.

Immature plantations are stated at cost. The costs of immature plantations consist mainly of the accumulated cost of planting, fertilising and maintaining the plantation, including borrowing costs on such borrowings and other indirect overhead costs up to the time the trees are harvestable and to the extent appropriate. An oil palm plantation is considered mature when such plantation starts to produce at the beginning of the fourth year.

Bearer plants are derecognised upon disposal or when no future economic benefits are expected from its use or disposed. Any gains or losses on disposal of bearer plants are recognised in the income statement in the year of disposal.

The residual values and useful lives of bearer plants are reviewed, and adjusted as appropriate, at the end of each reporting period.

(i) Goodwill

The excess of the aggregation of consideration transferred, the amount of any non-controlling interest in the acquiree, and fair value at the date of acquisition of any previous equity interest in the acquiree, over the fair value of the net identifiable assets acquired is initially recognised as goodwill in the consolidated financial statements. Subsequently, goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or when circumstances change, indicating that goodwill might be impaired. If the Group's interest in the net fair value of the identifiable assets and liabilities exceeds the consideration transferred and the non-controlling interest in the acquiree, the Group will reassess whether it has correctly identified all of the assets acquired and liabilities assumed, and any excess thereafter is recognised as an income in the income statement immediately.

3 Summary of Significant Accounting Policies (cont'd)

(i) Goodwill (cont'd)

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units. If the recoverable amount of a cash-generating unit is estimated to be less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

(j) Intangible Assets Excluding Goodwill

All incidental costs, incurred in connection with the renewal of land rights, are capitalised and amortised over the term of the related land rights less any impairment loss.

Costs incurred for acquisition of computer software, whose benefits extend over a period of more than one year, are being capitalised, classified as others under intangible assets, and amortised over the periods benefited, which range from 1 to 5 years, using the straight-line method less any impairment loss.

Brands and trademarks are initially stated at acquisition cost and subsequently carried at cost less accumulated amortisation and any impairment loss. The cost is amortised through the income statement over their estimated useful lives of 20 years using the straight-line method.

(k) Financial Assets

The Group recognises a financial asset when, and only when the Group becomes party to the contractual provisions of the instruments. All regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

- Classification of financial assets

The Group classifies its non-derivative financial assets in the following measurement categories: amortised cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss ("FVTPL"). The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the income statement.

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in the income statement. Any gain or loss on derecognition is recognised in the income statement.

On initial recognition of an equity investment that is not held-for-trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. These assets are subsequently measured at fair value. Dividends are recognised as income in the income statement unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to the income statement.

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3 Summary of Significant Accounting Policies (cont'd)

(k) Financial Assets (cont'd)

- Classification of financial assets (cont'd)

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL. These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the income statement.

- Impairment of financial assets

The Group recognises loss allowances from expected credit losses ("ECLs") on financial assets measured at amortised cost. Loss allowances of the Group are measured on either of 12-month ECLs resulting from possible default events within the 12 months after the reporting date or lifetime ECLs resulting from all possible default events over the expected life of a financial instrument.

The Group applies the simplified approach and records lifetime ECLs on all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition. At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls, which is the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive.

The Group considers a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counter party has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal service where appropriate. Any recoveries are recognised in the income statement.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes significant financial difficulty of a debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amounts of these assets.

3 Summary of Significant Accounting Policies (cont'd)

(l) Financial Instruments and Hedge Accounting

Derivative financial instruments such as commodities, futures and options contracts are used to manage exposures to foreign exchange and commodity price risks arising from operational activities.

Derivative financial instruments are recognised initially at fair value and any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the income statement unless the derivative qualifies for hedge accounting where the recognition of any changes in the fair value depends on the nature of the item being hedged.

The Group enters into committed purchase and sales contracts for palm oil commodities as part of its merchandising activities. The prices and physical delivery of the sales and purchases are fixed in the contracts. These contracts are accounted for as derivatives and the fair values arising from these contracts on an aggregated basis are recognised in the financial statements until physical deliveries take place.

When a derivative is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective portion is recognised in other comprehensive income. When the forecast transaction subsequently results in a recognition of a non-financial asset or non-financial liability, or the forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which the fair value hedge accounting is applied, the associated cumulative gain or loss previously recognised in other comprehensive income is transferred to the carrying amount of the non-financial asset or non-financial liability. For other cash flow hedges, the associated cumulative gain or loss previously recognised in other comprehensive income is transferred to the income statement in the same period or periods during which the hedged forecast transaction affects the income statement. The ineffective portion of any changes in the fair value of the derivative is recognised immediately in the income statement.

When a hedging instrument expires or is sold, terminated or exercised, or the entity revokes designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss previously recognised in other comprehensive income remains there and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative gain or loss previously recognised in other comprehensive income is transferred to the income statement.

(m) Biological Assets

The fresh fruit bunches ("FFB") that are growing on the bearer plants (oil palm trees) are accounted for as biological assets until the point of harvest. Biological assets are measured at fair value less estimated point-of-sale costs at the point of harvest. The fair values of FFB were determined with reference to their market prices. Any resultant gains or losses arising from changes in fair value are recognised in the income statement.

(n) Cash and Bank Balances

Cash and cash equivalents comprise cash on hand, cash in banks and time deposits with maturities of three months or less which are highly liquid assets that are readily convertible into known amounts of cash and subject to an insignificant risk of changes in value.

Short-term time deposits with maturities of more than three months but less than one year are carried at cost and classified under short-term investments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of cash in banks and time deposits with maturities of less than three months pledged as security.

3 Summary of Significant Accounting Policies (cont'd)

(o) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method for raw materials and finished goods and by the moving average method for other inventories, such as fuel, chemical and packing supplies and others. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and costs necessary to make the sale.

(p) Impairment of Non-Financial Assets excluding Goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss or whether there is any indication that an impairment loss recognised for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An asset's recoverable amount is calculated as the higher of the asset's value in use and its fair value less costs of disposal.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that it does not exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised. A reversal of an impairment loss is recognised as an income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(q) Trade and Other Payables

Trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received. Interest-bearing payables are recognised initially at cost less attributable transaction costs. Subsequent to initial recognition, interest-bearing payables are stated at amortised cost using the effective interest method.

(r) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event and it is probable that it will result in an outflow of economic benefits that can be reasonably estimated.

(s) Leases

- *When the Group is the lessee*

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

For contract that contains both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group does not separate lease and non-lease component, if any, for all leases and account these as one single lease component.

3 Summary of Significant Accounting Policies (cont'd)

(s) Leases (cont'd)

- *When the Group is the lessee (cont'd)*

The Group recognises right-of-use ("ROU") assets and lease liabilities at the date which the underlying assets become available for use. ROU assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for re-measurement of lease liabilities. The cost of ROU assets includes the initial measurement of lease liabilities adjusted for any lease payment made at or before the commencement dates, plus any initial direct costs incurred less any lease incentives received. Any initial cost that would not have been incurred if the lease had not been obtained are added to the carrying amount of the ROU assets. ROU asset is depreciated using the straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The Group has elected not to recognise ROU assets and lease liabilities for short-term leases that have lease term of 12 months or less and leases of low value assets. Lease payment relating to these leases are expensed to the income statement on a straight-line basis over the lease term.

ROU assets (except for those which meets the definition of an investment property) are presented within "Property, plant and equipment" in the statement of financial position. ROU assets which meet the definition of an investment property are presented as "Investment properties" and accounted for in accordance with Note 3(f).

The initial measurement of lease liabilities is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If the rate cannot be readily determined, the Group uses its incremental borrowing rate. Lease payment included in the measurement of the lease liability comprise fixed payments (including in substance fixed payment), less any lease incentive receivables. Lease liabilities are subsequently measured at amortised cost, and are remeasured when there is a change in the Group's assessment of whether it will exercise lease extension and termination option, or there is a modification to the lease terms. Where lease liabilities are remeasured, corresponding adjustments are made against the ROU assets. If the carrying amount of the ROU assets have been reduced to zero, the adjustments are recorded in the income statement.

- *When the Group is the lessor*

Leases of investment properties where the Group retains substantively all risks and rewards incidental to ownership are classified as operating lease. Leasing income from operating leases (net of any incentives given to the lessees) is recognised in the income statement on a straight-line basis over the lease period. Contingent rents are recognised as income in the income statement when earned. When a lease is terminated before the lease period expires, any payment received by the Group as penalty is recognised as an income when termination takes place.

(t) Interest-Bearing Borrowings

Interest-bearing borrowings are recorded at the proceeds received, net of direct issue costs. Direct issue costs are amortised over the term of each borrowing. Finance charges are accounted for on an accrual basis in the income statement using the effective interest method.

(u) Dividend Distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved for payment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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3 **Summary of Significant Accounting Policies** (cont'd)

(v) Share Capital and Share Premium

Ordinary shares are classified as equity. Share capital is determined using the par value of shares that have been issued. Share premium includes any excess received on the issuance of shares over the par value, net of any direct issue costs. The share premium amount may be applied only for the purpose specified in the Companies Act 2001.

The Company's own ordinary shares, which are re-acquired by the Company and held as treasury shares, are recognised at cost and deducted from equity. No gain or loss is recognised in the income statement on the purchase, sale, re-issuance or cancellation of equity shares. Any difference between the carrying amount of treasury shares and the consideration received, if re-issued, is recognised directly in equity as gain or loss on re-issuance of treasury shares.

(w) Related Party Transactions

A related party is a person or entity that is related to the reporting entity. A person is considered to be related if that person has the ability to control or jointly control the reporting entity, exercise significant influence over the reporting entity in making financial and operating decisions, or is a member of the key management personnel of the reporting entity or its parent. An entity is related to the reporting entity if they are members of the same group, an associate, a joint venture or provides key management personnel services to the reporting entity or to the parent of the reporting entity. An entity is also considered to be related if it is controlled or jointly controlled by the same person who has significant influence over the reporting entity or is a member of the key management personnel of the reporting entity.

(x) Borrowing Costs

Interest expense and similar charges are expensed in the income statement in the period in which they are incurred, except to the extent they are capitalised as being directly attributable to the acquisition and construction of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

Certain subsidiaries capitalise borrowing costs, including interest and other financial charges on borrowings used to finance the construction of factories, expansion of plantations, construction of fixed assets and development of properties. Capitalisation ceases when substantially all the activities necessary to prepare the related assets for their intended use or sale are completed. The capitalised costs are depreciated over the same periods and on the same basis as the underlying assets.

(y) Employee Benefits

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. Contributions made into separate stated managed entities, such as the Central Provident Fund in Singapore under a defined contribution plan, on a mandatory, contractual or voluntary basis with no further payment obligation once the contributions have been paid are recognised in the income statement in the period in which the related service is performed.

Certain subsidiaries in Indonesia have defined contribution retirement plans covering substantially all of their eligible permanent employees. The Group's contributions to the funds are computed at a certain percentage of the basic income for its employees.

3 Summary of Significant Accounting Policies (cont'd)

(y) Employee Benefits (cont'd)

Certain subsidiaries also recognise additional provisions for employee service entitlements in accordance with the Indonesian Labor Law (the "Labor Law"). The said additional provisions, which are unfunded, are estimated using the projected unit credit method, with actuarial calculations based on the report prepared by an independent actuary.

Actuarial gains or losses are recognised immediately in other comprehensive income and all past service costs are recognised immediately in the income statement in the period they occur.

The related estimated liability for employee benefits is the difference between the present value of the estimated employee service entitlement based on the Labor Law and the projected cumulative funding based on the defined contribution plan.

(z) Income Tax

Current income tax for current and prior years is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of each reporting period in the countries where the Group operates and generates income. The Group periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amount expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is recognised in the income statement, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred income tax is also dealt with in other comprehensive income or directly in equity respectively. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same tax authority. Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the end of each reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associated companies except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

(aa) Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Committee (the chief operating decision maker) of the Group, which consist of the Chairman and Chief Executive Officer (CEO), the Executive Directors and the CEOs of business units, to make decisions about resources to be allocated to the segment and to assess its performance.

The Executive Committee assesses the performance of the operating segments based on a measure of earnings before income tax, non-controlling interests, interests on borrowings, foreign exchange gain/(loss), depreciation and amortisation, net changes in fair value of biological assets and exceptional item ("EBITDA"). All inter-segment sales and transfers are accounted for as if the sales or transfers were to third parties, i.e. at current market price.

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3 Summary of Significant Accounting Policies (cont'd)

(ab) Revenue Recognition

Revenue is recognised to depict the transfer of goods and services to customers in amounts that reflect the consideration to which the Group expects to be entitled in exchange for those goods and services. Revenue is recognised in the income statement as follows:

- Revenue from sales arising from physical delivery of products is recognised when the Group satisfies a performance obligation at a point in time by transferring control of a promised good to a customer and all criteria for acceptance have been satisfied. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied performance obligation. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or possible return of goods.

- Revenue from processing, shipping, repair services and trucking services is recognised when the services are rendered over time.

- Revenue from the provision of port and storage facilities is recognised when the services are rendered over time.

- Rental income from operating leases is recognised over time on a straight-line basis over the term of the lease contracts.

- Dividend income from investments is recognised at a point in time on the date the dividends are declared payable by the investees.

- Interest income is accrued on a time-proportion basis, by reference to the principal outstanding and at the effective interest rate applicable.

(ac) Financial Guarantees

The Company has issued corporate guarantees to creditors for borrowings of its subsidiaries, joint ventures and entities owned by its investees and joint ventures. These guarantees are financial guarantee contracts as they require the Company to reimburse the creditors if the borrowers fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantees issued are initially measured at fair value and the initial fair value is amortised over the life of the guarantees. Subsequent to initial measurement, the financial guarantees are measured at the higher of the amortised amount and the amount of loss allowance.

ECLs are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Company expects to recover.

(ad) Government Grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately under other income.

4 Critical Accounting Estimates, Assumptions and Judgements

The Group makes estimates and assumptions concerning the future. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Estimates and assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(a) Critical Accounting Estimates and Assumptions

(i) Estimated Useful Lives of Property, Plant and Equipment and Bearer Plants

The Group estimates the useful lives of property, plant and equipment and bearer plants based on the period over which the assets are expected to be available for use. The estimated useful lives of property, plant and equipment and bearer plants are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets. In addition, the estimation of the useful lives of property, plant and equipment and bearer plants are based on the collective assessment of industry practice, internal technical evaluation and experience with similar assets.

It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the property, plant and equipment and bearer plants would increase the recorded expenses and decrease the non-current assets.

There is no significant change in the estimated useful lives of property, plant and equipment and bearer plants during the current financial year. The carrying amounts of the Group's property, plant and equipment and bearer plants are disclosed in Note 24 and Note 25 to the consolidated financial statements respectively.

(ii) Impairment of Goodwill

The Group performed impairment tests on goodwill on an annual basis, in accordance with the accounting policy stated in Note 3(i). The recoverable amounts of the cash-generating units are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates and expected future cash flows as well as growth rate used for extrapolation purpose during the period. Expected future cash flows are estimated using industry trends, general market and economic conditions, past practices and margins with reference to the historical results.

During the current financial year, there is no impairment loss recognised in the consolidated financial statements. The carrying amounts of goodwill are disclosed in Note 27 to the consolidated financial statements.

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4 Critical Accounting Estimates, Assumptions and Judgements (cont'd)

(a) Critical Accounting Estimates and Assumptions (cont'd)

(iii) Post-Employment Benefits

The present value of the post-employment benefits obligations and cost for post-employment benefits are dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions, which include among others, discount rates and rates of salary increase, are described in Note 38. In accordance with IAS 19, *Employee Benefits*, actual results that differ from the assumptions may generally affect the recognised expense and recorded obligation. While the Group believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the post-employment benefits obligations.

The carrying amounts of the Group's estimated post-employment benefits liabilities are disclosed in Note 38 to the consolidated financial statements.

(iv) Fair Value of Derivatives and Financial Assets at FVOCI and Financial Assets at FVTPL

The Group is required to reassess the fair value of derivatives and financial assets at FVOCI and financial assets at FVTPL at the end of each reporting period. In determining the appropriate fair value classified as Level 2 or Level 3 in the fair value hierarchy, the Group makes use of valuation models. The Group makes maximum use of observable market data as inputs to these valuation models. Where observable market data is not available, the Group has to make use of management estimates for unobservable inputs to the models, and seeks to corroborate the estimates to available market data or through back-testing against historical experience.

The key unobservable inputs to the models of Level 3 instruments and the inter-relationship between these key unobservable inputs and fair value measurement are disclosed in Note 40 to the consolidated financial statements.

While the Group believes the assumptions are reasonable and appropriate, significant changes in the assumptions may materially affect the fair value recorded. The carrying amounts of the Group's derivatives, financial assets at FVOCI and financial assets at FVTPL are disclosed in Note 40 to the consolidated financial statements.

(b) Critical Judgements in Applying Accounting Policies

(i) Deferred Tax Assets and Tax Recoverable

The Group's subsidiaries in Indonesia revalued certain bearer plants in connection with the legislation in Indonesia to allow entities to revalue their assets for tax purposes. During the financial year 2016, the Group's subsidiaries in Indonesia received approval for the revaluation of certain bearer plants from the Indonesian Tax Authorities. In addition, the Group also recognised deferred tax assets on unutilised tax losses and capital allowances. Significant judgement is required to determine the amount of deferred tax assets that can be recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. The carrying amounts of the Group's deferred tax assets are disclosed in Note 26 to the consolidated financial statements.

Tax recoverable represents estimated claims for overpayments of income taxes which management believes can be recovered. As at the end of the reporting period, objection and appeal for these tax assessments are still in progress. Significant judgement is required for management to assess the recoverability of the tax refunds from the respective tax offices. The carrying amounts of the Group's tax recoverable are disclosed in Note 19 to the consolidated financial statements.

4 Critical Accounting Estimates, Assumptions and Judgements (cont'd)

(b) Critical Judgements in Applying Accounting Policies (cont'd)

(ii) Impairment of Property, Plant and Equipment and Bearer Plants

At the end of each reporting period, the Group is required to assess if there were any indication that an asset may be impaired. If any such indication exists, management will estimate the recoverable amount of the asset in order to determine the extent of the impairment loss. Management will identify indicators of impairment and carry out an impairment review for such assets by calculating the fair value less costs to sell. If fair value less costs to sell indicates an impairment, management will calculate the value in use of the applicable assets to ensure the recoverable amount is higher of the two calculations. Management exercises significant judgement in determining the underlying assumptions used in both calculations.

As a result of above impairment review, management has determined the recoverable amount of certain property, plant and equipment is less than their carrying amounts. Accordingly, during the current financial year, an impairment loss of US$409,000 (2021: US$941,000) (Note 24) has been recognised in the consolidated income statement.

5 Revenue

	2022 US$'000	2021 US$'000
Sales in Indonesia		
Third parties	1,816,195	1,609,871
Associated companies	14,775	15,829
Joint ventures	245,098	245,452
Related parties	12,378	9,971
	2,088,446	1,881,123
Sales outside Indonesia		
Third parties	9,349,902	8,301,198
Related parties	450	215
	9,350,352	8,301,413
	11,438,798	10,182,536

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5 Revenue (cont'd)

The Group's revenue is recognised at a point in time except for the revenue from the provision of port and storage facilities which is recognised over time. An analysis of the Group's revenue for the year disaggregated by major product type and location is as follows:

	2022 US$'000	2021 US$'000
Sales in Indonesia		
Palm oil based products:		
Crude palm oil	8,944	15,233
Margarine and fat	121,324	84,640
Palm fatty acid distillate	15,799	18,494
Palm kernel	5,110	2,006
Palm kernel meal	9,990	8,436
Palm kernel oil	232,097	241,149
Refined bleached deodorised olein	646,202	537,352
Refined bleached deodorised stearin	75,623	95,626
Refined bleached deodorised palm oil	140,869	177,134
Refined bleached deodorised palm kernel oil	2,254	4,079
Oleochemical products	86,706	69,324
Biodiesel products	650,852	569,819
Others	21,511	29,286
	2,017,281	1,852,578
Others	71,165	28,545
Total sales in Indonesia	2,088,446	1,881,123
Sales outside Indonesia		
Palm oil based products:		
Crude palm oil	855,315	1,263,287
Margarine and fat	322,169	244,260
Palm fatty acid distillate	309,165	226,645
Palm kernel meal	109,707	100,062
Palm kernel oil	72,670	95,454
Refined bleached deodorised olein	2,423,390	2,164,671
Refined bleached deodorised stearin	549,360	401,043
Refined bleached deodorised palm oil	1,602,802	1,114,738
Refined bleached deodorised palm kernel oil	431,553	341,084
Oleochemical products	412,978	268,138
Biodiesel products	44,568	4,432
Others	420,361	283,904
	7,554,038	6,507,718
Soy bean based products	358,106	461,753
Sunflower oil	804,936	725,999
Sugar based products	369,393	338,210
Noodles and snack products	102,975	95,426
Revenue from provision of port and storage facilities	3,895	3,393
Others	157,009	168,914
Total sales outside Indonesia	9,350,352	8,301,413
	11,438,798	10,182,536

6 Cost of Sales

	Note	2022 US$'000	2021 US$'000
Cost of inventories recognised as an expense		7,917,708	7,244,327
Depreciation of property, plant and equipment		253,090	188,282
Depreciation of bearer plants	25	109,144	115,276
Processing and direct costs		418,087	356,969
Changes in fair value of derivative financial instruments		(284,809)	(76,928)
		8,413,220	7,827,926

7 Selling, General and Administrative Expenses

	Note	2022 US$'000	2021 US$'000
Selling expenses			
Export tax and administration		682,791	888,987
Freight and related expenses		446,775	286,864
Salaries and employee benefits expense		20,440	20,924
Advertising and promotions		20,041	18,317
Depreciation of property, plant and equipment		7,176	7,169
Others		56,473	49,972
		1,233,696	1,272,233
General and administrative expenses			
Salaries and employee benefits expense		212,469	216,162
Rent, tax and licenses		9,179	8,273
Depreciation of property, plant and equipment		17,971	27,509
Professional fees		20,188	13,254
Travelling		8,365	5,241
Repairs and maintenance		9,895	9,436
Amortisation of intangible assets	27	7,067	23,226
Office supplies and communication expenses		23,405	24,257
Others		28,114	26,432
		336,653	353,790
		1,570,349	1,626,023

8 Financial Income and Financial Expenses

	2022 US$'000	2021 US$'000
Interest income from:		
Third parties	29,740	20,219
Joint ventures and associated companies	4,028	2,643
Related parties	93	153
Financial income	33,861	23,015

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8 Financial Income and Financial Expenses (cont'd)

	Note	2022 US$'000	2021 US$'000
Interest expense to:			
Third parties		(176,887)	(154,574)
Joint ventures		(111)	(55)
Related parties		(90)	(255)
Amortisation of deferred loan charges	29	(4,474)	(5,418)
Amortisation of deferred bond charges	30	(931)	(620)
Total interest expense		(182,493)	(160,922)
Finance charges		(4,015)	(3,911)
Financial expenses		(186,508)	(164,833)
Net financial expenses		(152,647)	(141,818)

9 Other (Expenses)/Income

	Note	2022 US$'000	2021 US$'000
Investment income		52,817	7,408
Rental income		8,281	7,918
Gain on sale of other materials		5,806	4,191
Insurance and product claims		4,979	4,978
Income from sales of seedlings		4,622	2,640
Gain on disposal of property, plant and equipment		2,486	1,416
Gain on deconsolidation of subsidiaries	41a	1,988	-
Gain on disposal of certain interest in an associated company	41a	969	-
Management and service fee income from joint ventures		1,228	843
Government grant income		20	623
Changes in fair value of financial assets at fair value through profit or loss		(211,873)	43,544
Net (loss)/gain from changes in fair value of biological assets	17	(16,625)	5,858
Depreciation of property, plant and equipment		(2,921)	(3,156)
Loss on disposal of an associated company	46e	(2,564)	-
Bearer plants and property, plant and equipment written off		(1,572)	(1,214)
Goodwill written off	27	(1,439)	-
Depreciation of investment properties	23	(5)	(6)
Non-trade receivables written off	16	-	(1,510)
Others		(460)	(4,137)
		(154,263)	69,396

The Group has received various government grant income from the Singapore government to help deal with the impact from the Covid-19 pandemic. During the current financial year, the Group recorded government grants amounting to US$20,000 (2021: US$623,000) related to various temporary wage support schemes.

10 Profit Before Income Tax

In addition to the expenses and (credits) disclosed elsewhere in the notes to the consolidated financial statements, this item includes the following expenses:

	Note	2022 US$'000	2021 US$'000
Audit fees paid/payable to:			
Auditors of the Company		378	383
Other auditors:			
- network firms		806	847
- non-network firms		374	418
Non-audit fees (audit-related services) paid/payable to:			
Auditors of the Company		7	-
Other auditors:			
- network firms		38	23
- non-network firms		19	44
(Write-back of)/Provision for expected credit loss on:			
Trade receivables, net		(72)	208
Non-trade receivables, net		(6,408)	373
Employee compensation:			
Wages and salaries		233,670	255,701
Post-employment benefits expense/(income)	38	6,292	(12,496)
Employer's contributions to defined contribution plans		5,034	5,297

Except as disclosed above, there is no other non-audit fees paid/payable to the auditors of the Company and other auditors.

11 Income Tax

	Note	2022 US$'000	2021 US$'000
Income tax expense attributable to the results is made up of:			
Current income tax			
Current year		360,868	147,438
Under/(Over)-provision in respect of prior years		85	(251)
		360,953	147,187
Deferred income tax			
Current year	26	27,408	57,677
Effect of changes in tax rates	26	-	(5,935)
		388,361	198,929

Taxes Payable

Details of taxes payable are as follows:

	2022 US$'000	2021 US$'000
Estimated income tax payable of subsidiaries	132,872	79,357
Income and other taxes:		
Article 21	1,235	3,980
Article 23	2,487	2,581
Article 25	9,835	2,173
Article 26	44,011	185
Value added tax	1,908	3,717
	192,348	91,993

11 Income Tax (cont'd)

Substantially all the Group's operations are located in Indonesia. Accordingly, the Indonesian statutory tax rate of 22% (2021: 22%) is used in the reconciliation of the tax expense and the product of accounting profit multiplied by the applicable tax rate.

On 1 March 2020, the Indonesian government issued Government Regulation No.1/2020 to reduce the corporate tax rate for companies in Indonesia from 25% to 22% in 2020 and will further reduce to 20% from 2022 onwards. Subsequently on 7 October 2021, the Indonesian government ratified a tax bill, which among others, the corporate tax rate will remain at 22%.

The income tax expense on the results for the financial year varies from the amount of income tax determined by applying the Indonesian statutory rate of income tax to profit before income tax due to the following factors:

	2022 US$'000	2021 US$'000
Profit before income tax	1,234,901	725,510
Adjustments for:		
Share of results of associated companies	(3,892)	(4,003)
Share of results of joint ventures	(70,559)	(34,432)
	1,160,450	687,075
Tax calculated at a tax rate of 22% (2021: 22%)	255,299	151,157
Effect of different tax rates in other countries	24,478	13,998
Non-deductible expenses, net	38,300	9,982
Permanent differences arising mainly from remeasurement	31,461	18,559
Recognition of previously unrecognised tax losses	(851)	-
Effect of revision to unutilised tax losses	450	13,508
Utilisation of previously unrecognised tax losses	(22,851)	(20,310)
Income tax at preferential rate	(8,982)	(3,209)
Unrecognised deferred tax assets	1,906	21,430
Withholding tax expense	69,066	-
Under/(Over)-provision in prior years' current income tax	85	(251)
Effect of changes in tax rates	-	(5,935)
	388,361	198,929

12 Earnings Per Share and Net Asset Value Per Share

(a) Earnings Per Share

Earnings per share amounts are calculated by dividing net profit attributable to the owners of the Company of US$782,103,000 (2021: US$476,179,000) by the weighted average number of ordinary shares (excluding treasury shares) during the year of 12,683,382,645 (2021: 12,692,073,056).

There is no dilution as the Company did not have any potential ordinary shares outstanding as at 31 December 2022 and 2021.

(b) Net Asset Value Per Share

Net asset value per share of US$0.41 (2021: US$0.39) is calculated by dividing total equity of US$5,254,349,000 (2021: US$4,892,004,000) by the number of issued ordinary shares (excluding treasury shares) as at the end of the reporting period of 12,681,673,056 (2021: 12,692,073,056).

13 Cash and Cash Equivalents

	2022 US$'000	2021 US$'000
Cash on hand	257	264
Cash in banks	510,750	477,824
Time deposits	180,058	20,782
Cash and cash equivalents in statement of financial position	691,065	498,870
Less: Cash in banks and time deposits pledged	(151,300)	(13,757)
Cash and cash equivalents in the consolidated statement of cash flows	539,765	485,113

The cash and cash equivalents are denominated in the following currencies:

	2022 US$'000	2021 US$'000
United States dollar	221,540	279,095
Indonesian rupiah	215,212	148,269
Chinese renminbi	53,525	23,744
Indian rupee	158,346	23,401
Euro	24,603	8,619
Singapore dollar	13,101	12,663
Others	4,738	3,079
	691,065	498,870

The above cash and cash equivalents include balances placed with a related party of US$4,164,000 (2021: US$5,812,000). The above time deposits have a maturity period of less than three months from the end of the financial year and earn interest at the following rates per annum:

	2022 %	2021 %
United States dollar	2.9 – 4.3	0.1
Indonesian rupiah	1.8 – 3.3	2.5 – 3.3
Indian rupee	4.1 – 8.0	3.8 – 7.0
Malaysian ringgit	1.4	1.4

14 Short-Term Investments

Short-term investments which represent debt and equity securities and time deposits with a maturity over three months but not more than one year are detailed as follows:

	2022 US$'000	2021 US$'000
Time deposits	437,238	133,548
Equity securities at FVOCI	2,259	15,745
Financial assets at FVTPL:		
Equity securities held for trading	8,082	8,167
Debt securities held for trading	6,469	9,687
	14,551	17,854
	454,048	167,147

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14 Short-Term Investments (cont'd)

The short-term investments are denominated in the following currencies:

	2022 US$'000	2021 US$'000
Indian rupee	437,221	126,187
United States dollar	16,486	33,248
Chinese renminbi	-	7,170
Indonesian rupiah	341	542
	454,048	167,147

Time deposits amounting to US$437,221,000 (2021: US$130,878,000) have been pledged to banks as security for credit facilities (Note 28 and Note 29).

The above time deposits earn interest at the following rates per annum:

	2022 %	2021 %
Indian rupee	5.1 – 8.2	3.8 – 6.5
Chinese renminbi	-	1.6 – 2.3
Indonesian rupiah	1.8	2.5 – 5.8
United States dollar	-	0.3

15 Trade Receivables

	2022 US$'000	2021 US$'000
Third parties	782,288	731,711
Related parties	2,133	4,236
Associated companies	201	1,369
Joint ventures	6,836	51,202
	791,458	788,518
Less: Allowance for impairment loss	(679)	(5,576)
	790,779	782,942

Trade receivables of the Group, including intra-group trade receivables which have been eliminated on consolidation, amounting to US$331,468,000 (2021: US$464,272,000) have been pledged as security for credit facilities (Note 28 and Note 29). The average turnover for the year was 25 days (2021: 27 days).

As at 31 December 2022, the majority of the Group's trade receivables are current, with 20.4% (2021: 14.9%) and 5.1% (2021: 3.7%) of the trade receivables which are past due but not credit-impaired for less than 30 days and more than 30 days respectively. The Group recognised loss allowance for ECLs at an amount equal to lifetime ECLs for the past due debts, using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors.

15 Trade Receivables (cont'd)

Movements in credit loss allowance for trade receivables are as follows:

	2022 US$'000	2021 US$'000
Balance at the beginning of the year	5,576	5,467
Provision for ECLs during the year	105	305
Reversal of unutilised amounts	(177)	(97)
Receivables written off against allowance	(4,773)	(97)
Translation adjustment	(52)	(2)
Balance at the end of the year	679	5,576

The trade receivables are denominated in the following currencies:

	2022 US$'000	2021 US$'000
United States dollar	556,568	380,606
Indonesian rupiah	115,010	275,268
Euro	82,257	92,062
Indian rupee	22,419	23,836
Others	14,525	11,170
	790,779	782,942

16 Other Current Assets

	Note	2022 US$'000	2021 US$'000
Non-trade receivables from:			
Third parties		104,127	113,198
Joint ventures		14,648	21,615
Associated companies		4,227	8,529
Related parties		53	116
Derivative receivable	39	10,850	33,385
Staff advances		6,395	5,131
		140,300	181,974
Less: Allowance for impairment loss		(10,865)	(9,319)
		129,435	172,655
Advances and deposits to suppliers		225,693	179,324
Advances for purchases of property, plant and equipment and others		78,594	20,032
Prepaid taxes		123,066	106,928
Prepaid expenses		12,086	17,162
Others		7,645	11,586
		576,519	507,687

Save for the amounts receivable disclosed below, the amounts receivable from joint ventures, associated companies and related parties are interest-free, unsecured and repayable on demand.

As at 31 December 2022, the amounts receivable from joint ventures of US$13,303,000 (2021: US$20,914,000) bear interest ranging from 2.5% to 6.0% (2021: 1.8% to 9.0%) per annum.

16 Other Current Assets (cont'd)

The Group recognised loss allowance for ECLs at an amount equal to 12-month ECLs except for an amount of US$9,880,000 (2021: US$8,300,000) which is based on lifetime ECLs in line with the significant change in credit risks of the debtors. Movements in credit loss allowance for non-trade receivables are as follows:

	2022 US$'000	2021 US$'000
Balance at the beginning of the year	9,319	13,116
Provision for ECLs during the year	1,597	376
Reversal of unutilised amounts	(5)	(3)
Receivables written off against allowance	(17)	(4,187)
Translation adjustment	(29)	17
Balance at the end of the year	10,865	9,319

During the previous financial year, the Group wrote off non-trade receivables of US$1,510,000 as the recoverability was remote.

The other current assets are denominated in the following currencies:

	2022 US$'000	2021 US$'000
Indonesian rupiah	447,925	363,733
United States dollar	38,772	55,586
Chinese renminbi	40,321	47,564
Indian rupee	40,654	36,414
Euro	6,576	3,333
Others	2,271	1,057
	576,519	507,687

17 Biological Assets

	Note	2022 US$'000	2021 US$'000
Balance at the beginning of the year		92,356	86,498
Net (loss)/gain from changes in fair value recognised as part of other (expenses)/income	9	(16,625)	5,858
Balance at the end of the year		75,731	92,356

The Group's biological assets represent fresh fruit bunches ("FFB") of its oil palm trees as at the end of the reporting period. During the current financial year, the Group harvested approximately 7,812,000 tonnes (2021: 7,503,000 tonnes) of FFB from its nucleus plantations.

The fair value of FFB (classified as Level 2 of the fair value hierarchy) was determined with reference to their average market prices. As at the end of the current reporting period, if we assume the market prices of FFB increased by 5% with all other variables being held constant, profit and total equity attributable to owners of the Company would have increased by approximately US$3,214,000 (2021: US$3,533,000), as a result of a higher gain arising from changes in fair value of biological assets.

18 Inventories

	2022 US$'000	2021 US$'000
Raw materials	509,322	447,696
Finished goods	698,273	682,552
Goods in transit	157,999	99,817
	1,365,594	1,230,065
Consumables:		
Fertilisers and general material	76,632	49,872
Fuel, chemical and packing supplies	77,739	61,236
Others	50,391	41,982
	1,570,356	1,383,155

The inventories shown above are net of allowance for impairment loss. Movements in allowance for impairment loss on inventories are as follows:

	2022 US$'000	2021 US$'000
Balance at the beginning of the year	12,189	2,233
Allowance for impairment loss during the year	13,253	12,231
Write-back of impairment loss during the year	(10,142)	(78)
Write-off against allowance	(1,684)	(2,236)
Translation adjustment	(1,275)	39
Balance at the end of the year	12,341	12,189

During the current financial year, the Group recognised an allowance for impairment loss of US$13,253,000 (2021: US$12,231,000) in cost of sales as the carrying amount of certain inventories was higher than the net realisable value. Allowance for impairment loss of US$10,142,000 (2021: US$78,000) has been reversed as a result of an increase in net realisable value of certain inventories.

Inventories amounting to US$386,710,000 (2021: US$390,997,000) have been pledged to banks as security for credit facilities (Note 28 and Note 29).

19 Long-Term Receivables and Assets

	2022 US$'000	2021 US$'000
Loans receivable from joint ventures and associated companies	28,206	51,821
Tax recoverable	68,679	76,155
Advances for projects	5,146	5,077
Advances for plasma plantations, net	4,302	13,785
Advances for investment in land	1,495	1,495
Land clearing	5,855	4,701
Others	14,825	17,499
	128,508	170,533

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19 Long-Term Receivables and Assets (cont'd)

The long-term receivables and assets are denominated in the following currencies:

	2022 US$'000	2021 US$'000
Indonesian rupiah	93,546	98,604
United States dollar	29,966	67,607
Malaysian ringgit	3,082	3,361
Others	1,914	961
	128,508	170,533

The unsecured loans receivable from joint ventures and associated companies bear interest ranging from 3.7% to 12% (2021: 3.1% to 6.5%) per annum with maturity dates ranging between April 2024 and February 2025.

The loans receivable from joint ventures and associated companies shown above are net of provision for ECLs. The Group recognised loss allowance for ECLs at an amount equal to 12-month ECLs except where there is a significant change in credit risks of the debtors, loss allowance is measured at amount equal to lifetime ECLs. Movements in credit loss allowances are as follows:

	2022 US$'000	2021 US$'000
Balance at the beginning of the year	8,000	8,000
Reversal of unutilised amounts	(8,000)	-
Balance at the end of the year	-	8,000

In accordance with the policy of the Government of the Republic of Indonesia, certain land rights used to develop plantations are usually granted if a nucleus company agrees to develop areas for local small landholders (Plasma farmers) in addition to developing its own plantations. The nucleus company is also required to train and supervise the Plasma farmers and purchase the plantation production from the farmers at prices determined by the Government. Advances for Plasma plantations represent advances to Plasma farmers for the development of Plasma plantations which relates to administration, management and technical activities performed by the Group.

20 Long-Term Investments

	2022 US$'000	2021 US$'000
Equity securities at FVOCI	860,426	882,641
Financial assets at FVTPL:		
Equity/Fund securities	154,618	139,019
Convertible debt securities	234,355	458,932
	388,973	597,951
	1,249,399	1,480,592

The long-term investments are denominated in the following currencies:

	2022 US$'000	2021 US$'000
United States dollar	1,143,524	1,387,726
Euro	104,471	92,866
Chinese renminbi	1,404	-
	1,249,399	1,480,592

21 Investment in Associated Companies

	2022 US$'000	2021 US$'000
Unquoted equity shares, at cost	9,682	11,646
Share of post-acquisition reserves, net of dividend received	13,142	14,678
Translation adjustment	(425)	(732)
	22,399	25,592

Particulars of the associated companies are disclosed in Note 46 to the consolidated financial statements. Summarised aggregated financial information in respect of the Group's associated companies, which is not adjusted for the percentage of ownership held by the Group, is as follows:

	2022 US$'000	2021 US$'000
Results		
Revenue	174,022	219,087
Profit for the year	7,630	11,879
Assets and liabilities		
Total assets	72,163	129,736
Total liabilities	(29,501)	(70,974)
Net assets	42,662	58,762

22 Investment in Joint Ventures

	2022 US$'000	2021 US$'000
Unquoted equity shares, at cost	212,660	212,659
Share of post-acquisition reserves, net of dividend received	34,475	(29,294)
Translation adjustment	510	531
	247,645	183,896

Particulars of the joint ventures are disclosed in Note 46 to the consolidated financial statements.

Summarised aggregated financial information in respect of the Group's joint ventures, which is not adjusted for the percentage of ownership held by the Group, is as follows:

	2022 US$'000	2021 US$'000
Results		
Revenue	906,787	607,138
Profit for the year	147,829	59,591
Assets and liabilities		
Total assets	906,766	892,925
Total liabilities	(412,377)	(536,864)
Non-controlling interests	(19,158)	(12,093)
Net assets	475,231	343,968

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22 Investment in Joint Ventures (cont'd)

Reconciliation of the above net assets to the carrying amount of the Group's interests in joint ventures is as follows:

	2022 US$'000	2021 US$'000
Interest in joint ventures (based on shareholding interests)	237,615	171,984
Goodwill on acquisition	5,342	5,342
Unrecognised share of post-acquisition reserve	4,688	6,570
Net carrying amount	247,645	183,896

23 Investment Properties

	Note	2022 US$'000	2021 US$'000
Cost			
Balance at the beginning of the year		325	304
Translation adjustment		(70)	21
Balance at the end of the year		255	325
Less: Accumulated depreciation			
Balance at the beginning of the year		221	197
Charge for the year	9	5	6
Translation adjustment		(61)	18
Balance at the end of the year		165	221
Net carrying amount		90	104

The Group has also made upfront payments to secure the right-of-use of leasehold lands, which the Group constructed buildings on it and used them in the Group's leasing activities. The Group acts as an intermediate lessor under an arrangement in which it sub-leases out its properties for monthly rental income. The sub-lease periods do not form a major part of the remaining lease terms under the head leases and accordingly, the sub-leases are classified as operating leases. The rental income and direct operating expenses recognised in the Group's income statement in respect of these operating leases were US$187,000 (2021: US$148,000) and US$18,000 (2021: US$23,000) respectively. As at 31 December 2022, the fair value of the Group's investment properties is approximately US$1,207,000 (2021: US$1,330,000) determined based on valuation carried out by independent professional valuer and is classified under Level 2 of the fair value hierarchy.

24 Property, Plant and Equipment

	Freehold land	Land rights	Storage tanks, land improvements and bridges	Buildings	Machinery and equipment	Leasehold improvements, furniture and fixtures	Transportation equipment	Construction in progress	Total
Cost	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Balance at 1.1.2022	18,418	407,461	754,851	1,490,674	1,349,863	223,749	342,149	132,189	4,719,354
Translation adjustment	(1,135)	(3,057)	(668)	(12,136)	(16,961)	(2,028)	(284)	(1,168)	(37,437)
Additions	14	3,400	4,066	6,759	4,992	9,160	24,208	119,865	172,464
Disposals	-	-	(96)	(13,552)	(15,500)	(4,455)	(27,746)	(493)	(61,842)
Write-off	-	(2,579)	(1,725)	(2,418)	(2,870)	(4,323)	(4,300)	(405)	(18,620)
Deconsolidation of subsidiaries (Note 41a)	-	-	-	-	(48)	(205)	-	-	(253)
Reclassification	-	(11,857)	24,806	26,490	54,001	4,520	14,958	(112,918)	-
Balance at 31.12.2022	17,297	393,368	781,234	1,495,817	1,373,477	226,418	348,985	137,070	4,773,666
Accumulated depreciation and impairment loss									
Balance at 1.1.2022	-	26,734	302,919	647,419	698,852	184,097	256,705	204	2,116,930
Translation adjustment	-	(655)	(445)	(5,767)	(12,858)	(1,458)	(173)	(204)	(21,560)
Charge for the year	-	1,828	83,477	72,247	72,870	16,141	34,595	-	281,158
Disposals	-	-	(69)	(13,195)	(13,624)	(4,381)	(27,299)	-	(58,568)
Write-off	-	(2,579)	(1,674)	(2,177)	(2,522)	(4,252)	(4,000)	-	(17,204)
Deconsolidation of subsidiaries (Note 41a)	-	-	-	-	(36)	(171)	-	-	(207)
Reclassification	-	-	-	-	22	(10)	(12)	-	-
Allowance for impairment loss	-	-	-	134	270	5	-	-	409
Balance at 31.12.2022	-	25,328	384,208	698,661	742,974	189,971	259,816	-	2,300,958
Net book values									
Balance at 31.12.2022	17,297	368,040	397,026	797,156	630,503	36,447	89,169	137,070	2,472,708

As at 31 December 2022, the net carrying amount of property, plant and equipment, which has been pledged as security for credit facilities (Note 28 and Note 29), amounted to US$801,311,000 (2021: US$813,723,000).

24 Property, Plant and Equipment (cont'd)

	Freehold land	Land rights	Storage tanks, land improvements and bridges	Buildings	Machinery and equipment	Leasehold improvements, furniture and fixtures	Transportation equipment	Construction in progress	Total
Cost	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Balance at 1.1.2021	16,251	404,990	706,474	1,461,217	1,308,444	217,661	356,266	194,420	4,665,723
Translation adjustment	(338)	423	(980)	279	2,981	128	(35)	(230)	2,228
Additions	1,147	698	3,925	5,199	3,404	7,767	7,025	97,485	126,650
Disposals	-	(597)	-	(11,411)	(19,356)	(1,254)	(24,518)	(232)	(57,368)
Write-off	-	-	(360)	(4,177)	(1,869)	(5,920)	(5,199)	(435)	(17,960)
Transfer from intangible assets (Note 27)	-	-	-	-	-	81	-	-	81
Reclassification	1,358	1,947	45,792	39,567	56,259	5,286	8,610	(158,819)	-
Balance at 31.12.2021	18,418	407,461	754,851	1,490,674	1,349,863	223,749	342,149	132,189	4,719,354
Accumulated depreciation and impairment loss									
Balance at 1.1.2021	-	24,699	252,930	592,146	658,429	174,907	252,530	199	1,955,840
Translation adjustment	-	167	(634)	991	2,875	145	(11)	5	3,538
Charge for the year	-	1,878	50,952	68,069	55,876	16,066	33,275	-	226,116
Disposals	-	(15)	-	(9,877)	(17,597)	(1,208)	(24,062)	-	(52,759)
Write-off	-	-	(329)	(3,910)	(1,635)	(5,845)	(5,027)	-	(16,746)
Reclassification	-	5	-	-	(16)	11	-	-	-
Allowance for impairment loss	-	-	-	-	920	21	-	-	941
Balance at 31.12.2021	-	26,734	302,919	647,419	698,852	184,097	256,705	204	2,116,930
Net book values									
Balance at 31.12.2021	18,418	380,727	451,932	843,255	651,011	39,652	85,444	131,985	2,602,424

During the current financial year, the Group carried out its annual impairment review and recorded an impairment loss amounting to US$409,000 (2021: US$941,000) based on a valuation carried out by an independent professional valuer (classified as Level 2 of the fair value hierarchy) for certain property, plant and equipment. The valuation was based on cost and market comparison approach.

Right-of-use assets acquired under leasing arrangement are presented together with the owned assets of the same class. During the current financial year, the additions to property, plant and equipment included US$11,231,000 (2021: US$7,066,000) acquired under leasing arrangement (Note 31).

During the current financial year, the disposal of property, plant and equipment included derecognition of right-of-use assets arising from partial termination of office lease contracts amounting to US$331,000 (2021: US$1,510,000).

The Group holds land rights in Indonesia in the form of Hak Guna Usaha (HGU) which will expire in 2023 to 2098 and the management believes that those land rights can be extended upon expiry.

25 Bearer Plants

	Note	2022 US$'000	2021 US$'000
Cost			
Balance at the beginning of the year		3,182,941	3,089,251
Additions		35,831	84,275
Disposal		(1,462)	(1,600)
Write-off		(2,611)	(1,323)
Transfer from land clearing		26,095	12,338
Balance at the end of the year		3,240,794	3,182,941
Less: Accumulated depreciation			
Balance at the beginning of the year		1,786,470	1,672,517
Charge for the year	6	109,144	115,276
Write-off		(2,455)	(1,323)
Balance at the end of the year		1,893,159	1,786,470
Net book value		1,347,635	1,396,471

As at 31 December 2022, bearer plants amounting to US$312,575,000 (2021: US$275,383,000) have been pledged to banks as security for credit facilities (Note 28 and Note 29).

26 Deferred Tax

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities and when the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on different entities which intend to settle on a net basis, or realise the assets and liabilities simultaneously in the future. The following amounts, determined after appropriate offsetting, are shown in the statement of financial position:

	2022 US$'000	2021 US$'000
Deferred tax assets	107,292	138,384
Deferred tax liabilities	(166,738)	(166,824)
	(59,446)	(28,440)

	Accelerated tax depreciation US$'000	Unutilised tax losses/capital allowances US$'000	Valuation allowances/ others US$'000	Total US$'000
Deferred tax assets/(liabilities)				
Balance at 1 January 2022	44,125	98,317	(170,882)	(28,440)
(Charged)/Credited to income statement (Note 11)	(27,363)	(9,551)	9,506	(27,408)
Charged to other comprehensive income (Note 38)	-	-	(2,765)	(2,765)
Translation adjustment	163	(319)	(677)	(833)
Balance at 31 December 2022	16,925	88,447	(164,818)	(59,446)

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26 Deferred Tax (cont'd)

	Accelerated tax depreciation US$'000	Unutilised tax losses/capital allowances US$'000	Valuation allowances/ others US$'000	Total US$'000
Deferred tax assets/(liabilities)				
Balance at 1 January 2021	59,427	141,863	(175,449)	25,841
(Charged)/Credited to income statement (Note 11)	(24,150)	(46,282)	12,755	(57,677)
Charged to other comprehensive income (Note 38)	-	-	(1,883)	(1,883)
Reversal effect of change in tax rate:				
Credited/(Charged) to income statement (Note 11)	8,815	2,643	(5,523)	5,935
Charged to other comprehensive income (Note 38)	-	-	(861)	(861)
Translation adjustment	33	93	79	205
Balance at 31 December 2021	44,125	98,317	(170,882)	(28,440)

Realisation of deferred tax assets is dependent on the generation of sufficient taxable income prior to expiration of the tax losses carry-forward. Although realisation is not assured, the directors of the Company believe it is more likely than not that the deferred tax assets, net of the valuation allowance, will be realised. The amount of the deferred tax assets considered realisable could be reduced or increased if estimates of future taxable income during the carry-forward period are reduced or increased.

Deferred tax liabilities of approximately US$105,657,000 (2021: US$89,724,000) have not been recognised for taxes that would be payable on the remittance to Mauritius of unremitted retained earnings of approximately US$3,521,908,000 (2021: US$2,990,813,000) of certain subsidiaries as the timing of the reversal of the temporary differences arising from such amounts can be controlled and such temporary differences are not expected to reverse in the foreseeable future.

At the end of the reporting period, certain subsidiaries have unutilised tax losses and capital allowances available for offsetting against future taxable profits amounting to US$131,942,000 (2021: US$259,505,000).

	2022 US$'000	2021 US$'000
Expiry dates in year ending:		
31 December 2022	-	57,704
31 December 2023	43,543	82,544
31 December 2024	37,605	64,880
31 December 2025	19,018	35,460
31 December 2026	17,271	16,364
31 December 2027	8,198	108
31 December 2028	203	-
No expiry dates and subject to terms and conditions	6,104	2,445
	131,942	259,505

The availability of the unutilised tax losses and capital allowances for set-off against future taxable profits is subject to the tax regulations of the respective countries in which the Group companies are incorporated. The deferred tax benefit arising from these unrecognised tax losses and unabsorbed capital allowances of US$25,858,000 (2021: US$51,861,000) has not been recognised in the consolidated financial statements.

27 Intangible Assets

	Goodwill	Brands and trademarks	Deferred landrights	Others	Total
	US$'000	US$'000	US$'000	US$'000	US$'000
Cost					
Balance at 1 January 2022	133,639	8,447	14,611	78,841	235,538
Additions	-	-	42	2,545	2,587
Deconsolidation of subsidiaries (Note 41a)	-	-	-	(1,427)	(1,427)
Write-off	(1,439)	-	-	(1,728)	(3,167)
Translation adjustment	(1,608)	(138)	-	(2,047)	(3,793)
Balance at 31 December 2022	130,592	8,309	14,653	76,184	229,738
Less: Accumulated amortisation					
Balance at 1 January 2022	-	7,349	7,492	42,739	57,580
Amortisation charged to:					
General and administrative expenses (Note 7)	-	80	194	6,793	7,067
Cost of sales	-	-	358	9	367
Deconsolidation of subsidiaries (Note 41a)	-	-	-	(509)	(509)
Write-off	-	-	-	(1,728)	(1,728)
Translation adjustment	-	(50)	-	(887)	(937)
Balance at 31 December 2022	-	7,379	8,044	46,417	61,840
Net carrying amount					
Balance at 31 December 2022	130,592	930	6,609	29,767	167,898
Cost					
Balance at 1 January 2021	133,698	8,473	14,611	75,879	232,661
Additions	-	-	87	3,171	3,258
Write-off	-	-	(87)	-	(87)
Transfer to property, plant and equipment (Note 24)	-	-	-	(81)	(81)
Translation adjustment	(59)	(26)	-	(128)	(213)
Balance at 31 December 2021	133,639	8,447	14,611	78,841	235,538
Less: Accumulated amortisation					
Balance at 1 January 2021	-	7,272	7,018	19,520	33,810
Amortisation charged to:					
General and administrative expenses (Note 7)	-	84	173	22,969	23,226
Cost of sales	-	-	301	9	310
Translation adjustment	-	(7)	-	241	234
Balance at 31 December 2021	-	7,349	7,492	42,739	57,580
Net carrying amount					
Balance at 31 December 2021	133,639	1,098	7,119	36,102	177,958

As at 31 December 2022, Victory Oleo Holding GmbH and Golden Agri-Resources Germany GmbH are in the process of members' voluntary liquidation. As such, the Group wrote-off the goodwill previously recognised on the initial acquisition of the above subsidiaries of US$1,439,000 (2021: Nil).

27 Intangible Assets (cont'd)

Goodwill is allocated to the individual cash-generating units ("CGU") which are also the reportable operating segments for impairment testing purposes. The above goodwill is allocated to the palm, laurics and others segment. The recoverable amount of the goodwill was determined based on value in use calculations using 5-year cash flow projections with reference to historical results of approximately a 16% (2021: 20%) margin. A terminal value was estimated based on the 5th year's future cash flow using the terminal growth rate of 5.0% (2021: 5.0%) and pre-tax discount rates ranging from 10.2% to 18.9% (2021: 7.1% to 18.9%). If the management estimates the terminal growth rates at 0.5% lower, the recoverable amount of the goodwill will still exceed its carrying amount.

28 Short-Term Borrowings

	Note	2022 US$'000	2021 US$'000
Short-term loans:			
United States dollar		1,001,570	954,130
Indian rupee		127,651	-
Indonesian rupiah		87,773	220,340
Chinese renminbi		8,031	-
Euro		2,724	2,525
Others		-	49
		1,227,749	1,177,044
Current maturities of long-term loans	29	512,332	371,104
		1,740,081	1,548,148
Less: Unamortised loan charges	29	(2,253)	(2,605)
		1,737,828	1,545,543

Short-term loans of the Group, broken down by secured and unsecured are as follows:

	2022 US$'000	2021 US$'000
Secured loans	945,212	755,210
Unsecured loans	282,537	421,834
	1,227,749	1,177,044

As at the end of the financial years, there is no breach of loan covenants.

The above short-term loans have a maturity period of up to 12 months from the end of the financial year and the weighted average effective interest rates per annum during the year are as follows:

	2022 %	2021 %
United States dollar	2.68	2.43
Indian rupee	7.05	-
Indonesian rupiah	5.97	6.99
Chinese renminbi	2.16	-
Euro	2.54	1.45
Others	-	2.25

Certain time deposits, short-term investments, trade receivables, inventories, property, plant and equipment and bearer plants have been pledged to banks to obtain the Group's secured short-term loans as disclosed in their respective notes. Certain short-term loans have been netted off against time deposits as the Group has the legal right and intention to set-off the loans against the time deposits.

29 Long-Term Borrowings

	Note	2022 US$'000	2021 US$'000
Long-term loans:			
United States dollar		718,650	955,269
Indonesian rupiah		370,048	309,918
Singapore dollar		77,765	78,229
Chinese renminbi		3,451	4,549
Total long-term loans		1,169,914	1,347,965
Less: Current maturities of long-term loans	28	(512,332)	(371,104)
		657,582	976,861
Less: Unamortised deferred loan charges		(1,952)	(2,575)
Non-current portion		655,630	974,286

Movements in unamortised deferred loan charges are as follows:

	Note	2022 US$'000	2021 US$'000
Balance at the beginning of the year		5,180	5,752
Additions		3,501	4,851
Amortisation during the year	8	(4,474)	(5,418)
Translation adjustment		(2)	(5)
Balance at the end of the year		4,205	5,180
Less: Current portion	28	(2,253)	(2,605)
Non-current portion		1,952	2,575

Long-term loans of the Group, broken down by secured and unsecured are as follows:

	2022 US$'000	2021 US$'000
Secured loans	978,563	1,009,862
Unsecured loans	191,351	338,103
	1,169,914	1,347,965

Certain time deposits, trade receivables, inventories, property, plant and equipment and bearer plants have been pledged to banks to obtain the Group's total secured loans as disclosed in their respective notes.

The weighted average effective interest rates per annum on the above long-term loans during the year are as follows:

	2022 %	2021 %
United States dollar	4.26	3.23
Indonesian rupiah	7.47	8.01
Singapore dollar	2.90	1.51
Chinese renminbi	4.92	5.40

29 Long-Term Borrowings (cont'd)

The loan agreements generally include covenants that require the maintenance of certain financial ratios, limit or require written notification of the amount of additional borrowings that may be incurred, and limit the transfer or disposal of pledged assets and acting as guarantor to other parties. Any non-compliance with these covenants will result in these loans becoming repayable immediately upon service of a notice of default by the lenders. In addition, certain loan agreements contain cross default clauses whereby non-compliance with covenants for other financial indebtedness would result in acceleration of the outstanding loan balances. As at end of the financial year, there is no breach of loan covenants.

The scheduled maturities of the Group's long-term loans as at 31 December 2022 and 2021 are as follows:

Year	Original loan currency				U.S. Dollar Equivalent
As at 31 December 2022	US$'000	S$'000	IDR'000	RMB'000	US$'000
Long-term borrowings repayable in:					
2023	380,400	102,250	823,446,000	24,000	512,332
2024	265,050	1,250	1,242,776,500	-	344,982
2025	29,200	938	1,453,120,500	-	122,272
2026	29,600	-	1,815,259,000	-	144,993
Thereafter	14,400	-	486,636,000	-	45,335
Total	718,650	104,438	5,821,238,000	24,000	1,169,914
Current portion (Note 28)	(380,400)	(102,250)	(823,446,000)	(24,000)	(512,332)
Non-current portion	338,250	2,188	4,997,792,000	-	657,582
As at 31 December 2021	US$'000	S$'000	IDR'000	RMB'000	US$'000
Long-term borrowings repayable in:					
2022	331,481	1,250	540,980,050	5,000	371,104
2023	387,538	102,250	648,446,000	24,000	512,431
2024	236,250	1,250	975,276,500	-	305,525
2025	-	938	983,120,500	-	69,593
Thereafter	-	-	1,274,395,000	-	89,312
Total	955,269	105,688	4,422,218,050	29,000	1,347,965
Current portion (Note 28)	(331,481)	(1,250)	(540,980,050)	(5,000)	(371,104)
Non-current portion	623,788	104,438	3,881,238,000	24,000	976,861

30 Bonds and Notes Payable

	2022 US$'000	2021 US$'000
Unsecured IDR Bonds:		
6.00% p.a. fixed rate, due 2022	-	33,429
6.75% p.a. fixed rate, due 2022	-	42,049
7.25% p.a. fixed rate, due 2022	-	15,769
4.75% p.a. fixed rate, due 2023	35,599	-
5.00% p.a. fixed rate, due 2023	6,357	-
8.50% p.a. fixed rate, due 2023	38,682	42,645
9.75% p.a. fixed rate, due 2023	17,799	19,623
8.50% p.a. fixed rate, due 2024	67,701	74,637
8.75% p.a. fixed rate, due 2024	38,141	42,049
9.00% p.a. fixed rate, due 2024	24,156	26,631
7.00% p.a. fixed rate, due 2025	34,200	-
7.25% p.a. fixed rate, due 2025	39,730	-
9.00% p.a. fixed rate, due 2025	10,584	11,669
10.50% p.a. fixed rate, due 2025	34,836	38,405
9.00% p.a. fixed rate, due 2026	60,899	67,139
9.25% p.a. fixed rate, due 2026	19,071	21,024
9.50% p.a. fixed rate, due 2026	13,985	15,418
8.00% p.a. fixed rate, due 2027	25,555	-
8.25% p.a. fixed rate, due 2027	17,481	-
	484,776	450,487
Less: Deferred bond charges	(1,610)	(1,688)
	483,166	448,799
Unsecured RM Islamic medium-term notes:		
5.42% p.a. profit rate, due 2027	80,914	-
	564,080	448,799
Less: Current portion	(98,285)	(90,999)
Non-current portion	465,795	357,800

Movements in deferred bond charges are as follows:

	Note	2022 US$'000	2021 US$'000
Balance at the beginning of the year		1,688	611
Additions		853	1,697
Amortisation during the year	8	(931)	(620)
Balance at the end of the year		1,610	1,688

31 Lease Liabilities

	2022 US$'000	2021 US$'000
Lease liabilities:		
United States dollar	17,593	18,640
Chinese renminbi	2,534	944
Euro	4,601	4,840
Indonesian rupiah	1,153	4,490
Others	163	172
Total lease liabilities	26,044	29,086
Less: Current portion of lease liabilities	(7,617)	(11,966)
Non-current portion	18,427	17,120

The above lease liabilities include balances with related parties of US$336,000 (2021: US$2,595,000).

Nature of the Group's leasing activities and carrying amount of ROU assets

- Landrights

The Group has made an upfront payment to secure the right-of-use of certain plots of land for lease period ranging from 1 to 14 years for construction of storage tanks.

- Leasehold land and building

The Group has made periodic lease payments for buildings for the purpose of its office usage. These buildings are recognised within property, plant and equipment.

The Group has also made an upfront payment to secure the right-of-use of leasehold land, which the Group constructed buildings on it and used them in the Group's leasing activities. The right-of-use of the land and building is classified as an investment property (Note 23).

- Storage tanks and transportation equipment

The Group leases storage tanks and transportation equipment for storing of raw materials for its operations and rendering of logistic services.

The carrying amounts of ROU assets classified within property, plant and equipment are as follows:

	2022 US$'000	2021 US$'000
Landrights	2,097	2,421
Storage tanks, land improvements and bridges	13,946	15,366
Buildings	6,375	5,415
Transportation equipment	5,897	8,398
Machinery and equipment	-	111
	28,315	31,711

The additions of ROU assets classified within property, plant and equipment during the current financial year was US$11,231,000 (2021: US$7,066,000).

31 Lease Liabilities (cont'd)

Depreciation charges on ROU assets classified within property, plant and equipment are as follows:

	2022 US$'000	2021 US$'000
Landrights	324	330
Storage tanks, land improvements and bridges	4,170	4,902
Buildings	3,778	7,737
Transportation equipment	5,096	5,311
Machinery and equipment	106	332
	13,474	18,612

Amounts recognised in the consolidated income statement and statement of cash flows are as follows:

	2022 US$'000	2021 US$'000
Interest expense on lease liabilities	1,481	1,634
Expenses relating to short-term leases	12,068	10,620
Total cash outflows for leases	14,496	20,065

32 Trade and Trust Receipts Payables

	2022 US$'000	2021 US$'000
Trust receipts payable	152,469	295,418
Trade payables to:		
Third parties	375,645	362,167
Associated companies	-	1,740
Joint ventures	2,789	4,836
Related parties	52,925	15,542
	583,828	679,703

The above trust receipts payable, which represent amounts due to certain banks, bear interest ranging from 1.2% to 5.9% (2021: 1.1% to 2.3%) per annum. The trade and trust receipts payables are denominated in the following currencies:

	2022 US$'000	2021 US$'000
United States dollar	298,138	425,361
Indonesian rupiah	250,408	222,956
Chinese renminbi	10,916	12,725
Indian rupee	10,651	10,842
Euro	10,364	5,279
Malaysian ringgit	3,209	2,262
Others	142	278
	583,828	679,703

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33 Other Payables

	Note	2022 US$'000	2021 US$'000
Non-trade payables to:			
Third parties		141,405	110,690
Joint ventures		4,774	3,553
Related parties		879	725
Derivative payable	39	43,856	109,985
Interest payable		21,199	17,797
		212,113	242,750
Advances and deposits		102,200	151,032
Accrued expenses		180,275	120,807
Put option liability		79,395	-
		573,983	514,589

The amounts payable to related parties are unsecured, interest free and repayable on demand.

As at 31 December 2022, the amounts payable to joint ventures of US$3,529,000 (2021: US$3,430,000) bears interest ranging from 1.6% to 5.6% (2021: 1.6%) per annum and are repayable within the next twelve months. The remaining amounts payable to joint ventures are unsecured, interest free and repayable on demand.

The above put option liability relates to a put option granted to a non-controlling shareholder to sell its shareholdings in a subsidiary as one of the possible exit routes in the future (Note 34).

The other payables are denominated in the following currencies:

	2022 US$'000	2021 US$'000
United States dollar	245,511	219,648
Indonesian rupiah	138,610	171,500
Chinese renminbi	51,346	60,941
Indian rupee	121,310	54,427
Euro	12,880	4,489
Singapore dollar	2,928	3,244
Others	1,398	340
	573,983	514,589

34 Long-Term Payables and Liabilities

	Note	2022 US$'000	2021 US$'000
Post-employment benefits liability, denominated in Indonesian rupiah	38	62,221	76,976
Rental deposits, denominated in Singapore dollar		973	913
Advance received, denominated in United States dollar		84,050	108,000
Put option liability, denominated in Indian rupee		-	79,395
		147,244	265,284

The above advance relates to advance 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. The reduction during the current financial year is due to supply of crude palm oil to the customers net of additional advance received.

The above put option liability has been reclassified to current liability during the current financial year (Note 33).

35 Changes in Liabilities arising from Financing Activities

The reconciliation of movements of liabilities to cash flows arising from financing activities is as follows:

	Borrowings US$'000	Lease liabilities US$'000	Bonds and notes payable US$'000
Balance at 1 January 2022	2,519,829	29,086	448,799
Additions	5,952,942	-	251,402
Repayment	(6,056,613)	(13,015)	(87,808)
Payment of deferred bond and loan charges	(3,501)	-	(853)
Non-cash changes:			
New leases	-	11,231	-
Amortisation	4,474	-	931
Partial termination of lease contracts	-	(316)	-
Translation adjustment	(23,673)	(942)	(48,391)
Balance at 31 December 2022	2,393,458	26,044	564,080
Balance at 1 January 2021	2,834,789	43,277	267,054
Additions	4,890,463	-	339,359
Repayment	(5,209,626)	(18,431)	(152,627)
Payment of deferred bond and loan charges	(4,851)	-	(1,697)
Non-cash changes:			
New leases	-	7,066	-
Amortisation	5,418	-	620
Partial termination of lease contracts	-	(1,491)	-
Translation adjustment	3,636	(1,335)	(3,910)
Balance at 31 December 2021	2,519,829	29,086	448,799

36 Issued Capital and Treasury Shares

	No. of ordinary shares		Amount	
	Issued capital	Treasury shares	Issued capital US$'000	Treasury shares US$'000
Issued and fully paid:				
Balance at 31 December 2021 and 1 January 2022	12,837,548,556	(145,475,500)	320,939	(37,517)
Treasury shares purchased	-	(10,400,000)	-	(2,308)
Balance at 31 December 2022	12,837,548,556	(155,875,500)	320,939	(39,825)

The Company acquired 10,400,000 of its own shares in the open market during the current financial year. These shares are held as treasury shares. The total amount paid to acquire the shares of US$2,308,000 was presented as a component within shareholders' equity.

The holders of ordinary shares, except for treasury shares, are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. All shares, except for treasury shares rank equally with regards to the Company's residual assets.

37 Dividends

	2022 US$'000	2021 US$'000
Interim dividend paid in respect of current year of S$0.0080 (2021: S$0.00528) per share	72,337	49,523
Final dividend paid in respect of previous year of S$0.01077 (2021: S$0.0048) per share	98,647	45,693
	170,984	95,216

At the Annual Meeting to be held on 24 April 2023, a final dividend (tax not applicable) of S$0.00991 per share, amounting to S$125,675,379.98 (equivalent to approximately US$93,578,000) will be recommended. These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained earnings for the financial year ending 31 December 2023.

38 Post-Employment Benefits Liability

Certain subsidiaries have defined contribution retirement plan covering substantially all of their eligible permanent employees.

On top of the benefits provided under the defined contribution retirement plan, the subsidiaries have also recorded additional provisions for employee service entitlements in order to meet the minimum benefits required to be paid to the qualified employees, as required under the Labor Law. As at 31 December 2022, the amounts for such additional provisions were determined based on actuarial computations valuations prepared by the independent actuary, Kantor Konsultan Aktuaria Steven & Mourits, using the projected unit credit method.

The principal actuarial assumptions used by the actuaries were as follows:

	2022	2021
Discount rate	6.3% - 7.4%	5.0% - 7.6%
Salary growth rate	5.0%	5.0%
Retirement age	55 years	55 years

The amounts of additional provision for post-employment benefits recognised in the statement of financial position represent present value of unfunded employees' retirement benefit obligations in addition to the defined contribution scheme. The movements in the post-employment benefits liability are as follows:

	Note	2022 US$'000	2021 US$'000
Balance at the beginning of the year		76,976	100,473
Post-employment benefits expense/(income) during the year recognised in the income statement	10	6,292	(12,496)
Post-employment benefits income during the year recognised in other comprehensive income		(12,578)	(8,499)
Payments made during the year		(977)	(989)
Translation adjustment		(7,492)	(1,513)
Balance at the end of the year	34	62,221	76,976

38 Post-Employment Benefits Liability (cont'd)

The components of the post-employment benefits expense/(income) recognised in the income statement are as follows:

	2022 US$'000	2021 US$'000
Current service cost	9,492	7,969
Past service cost	(7,982)	(25,231)
Interest cost	4,782	4,766
Post-employment benefits expense/(income) recognised in the income statement (Note 10)	6,292	(12,496)

The components of the post-employment benefits income recognised in other comprehensive income are as follows:

	2022 US$'000	2021 US$'000
Actuarial gain arising from changes in assumptions	3,665	2,400
Actuarial gain arising from experience adjustment	8,913	6,099
Post-employment benefits income recognised in other comprehensive income	12,578	8,499
Less: Deferred income tax (Note 26)	(2,765)	(2,744)
Net post-employment benefits income recognised in other comprehensive income	9,813	5,755

39 Derivative Financial Instruments

The Group classifies derivative financial instruments as financial assets or liabilities at fair value through profit or loss with the resulting gain or loss recognised immediately in the income statement.

The details of the contracts outstanding as at the end of the reporting period are as follows:

	2022		2021	
	Notional amount US$'000	Assets/ (Liabilities) US$'000	Notional amount US$'000	Assets/ (Liabilities) US$'000
Forward currency contracts	1,463,908	(34,972)	1,454,741	24,728
Commodity futures contracts	635,802	4,037	589,376	(20,693)
Firm commitment contracts	674,699	2,614	1,144,812	(80,635)
Interest rate swap contracts	700,000	(4,685)	-	-
Total derivative financial instruments		(33,006)		(76,600)
Less: Current assets (Note 16)		(10,850)		(33,385)
Current liabilities (Note 33)		(43,856)		(109,985)

During the current financial year, the Group recognised a net loss from forward foreign currency contracts of US$18,895,000 (2021: net gain of US$40,379,000) in the income statement.

40 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 31 December 2022 and 2021, 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:

(a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
(b) 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
(c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	US$'000	US$'000	US$'000	US$'000
At 31 December 2022				
Financial assets at FVOCI (Equity)	-	-	862,685	862,685
Financial assets at FVTPL held for trading	3,891	6,404	393,229	403,524
Derivative receivable	-	10,850	-	10,850
Derivative payable	-	(43,856)	-	(43,856)
	3,891	(26,602)	1,255,914	1,233,203
At 31 December 2021				
Financial assets at FVOCI (Equity)	-	-	898,386	898,386
Financial assets at FVTPL held for trading	3,641	8,756	603,408	615,805
Derivative receivable	-	33,385	-	33,385
Derivative payable	-	(109,985)	-	(109,985)
	3,641	(67,844)	1,501,794	1,437,591

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.

40 Financial Instruments (cont'd)

Methods and Assumptions Used to Determine Fair Values (cont'd)

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

(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. Details of valuation techniques are as follows:

- Net present value method

As at 31 December 2022, fair value of financial assets amounting to US$61,164,000 (2021: US$82,585,000) 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. Key unobservable inputs are as follows:

Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Bearer plant have an average life of 25 years (2021: 25 years).	The estimated fair value increases as the estimated average life increases.
Discount rate per annum of 13.18% (2021: 11.94%).	The estimated fair value increases as the estimated discount rate per annum decreases.
Average selling price at US$1,032 (2021: US$951) per metric tonne.	The estimated fair value increases as the estimated selling price increases.

As at the end of current financial year, if the average selling price per metric tonne were 2.5% lower while all the other variables were held constant, the fair value of the investment would decrease by US$14.0 million.

- Fund statements

As at 31 December 2022, fair value of financial assets amounting to US$855,924,000 (2021: US$867,411,000) 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.

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40 Financial Instruments (cont'd)

Methods and Assumptions Used to Determine Fair Values (cont'd)

(iii) Level 3 fair value measurements (cont'd)

- Discounted cash flow method

As at 31 December 2022, fair value of financial assets amounting to US$338,826,000 (2021: US$551,798,000) was determined by reference to valuations performed using the discounted cash flow method. The expected cash flows from these financial assets are mainly determined using the projected subscription and leasing income, and revenue growth, net of operating expenses over the estimated useful life of the underlying operating assets. Key unobservable inputs used in the valuation model are as follows:

Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Revenue based on projected subscription and leasing income.	The estimated fair value increases as the estimated subscription and leasing price increases.
Projected operating and maintenance expenses.	The estimated fair value increases as the estimated operating and maintenance expenses decreases.
Average useful life of 2 to 24 years (2021: 2 to 18 years).	The estimated fair value increases as the estimated useful life increases.
Cost of equity per annum ranging from 13.00% to 17.08% (2021: 9.63% to 15.00%).	The estimated fair value increases as the estimated cost of equity decreases.
Terminal growth rate of 1.5% (2021: 1.5%).	The estimated fair value increases as the growth rate increases.

As at the end of current financial year, if the free cash flow to the equity (attributable to variables including pricing and utilisation rate for the uncontracted capacity, and operating expenses) were 10% lower while all the other variables were held constant, the fair value of the investment would decrease by US$29.9 million (2021: US$38.2 million). If the cost of equity per annum increased by 0.5% while all the other variables were held constant, the fair value of the investment would decrease by approximately US$13.3 million (2021: US$41.7 million).

During the current financial year, a net loss of US$211.9 million (2021: net gain of US$43.5 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 year. Movements in Level 3 financial assets measured at fair value are as follows:

	2022		2021	
	Financial assets at FVOCI US$'000	Financial assets at FVTPL US$'000	Financial assets at FVOCI US$'000	Financial assets at FVTPL US$'000
Balance at the beginning of the year	898,386	603,408	766,544	709,773
Additions	210,554	-	93,281	221,385
Redemption/Return of capital	(12,316)	-	(7,016)	(375,107)
Changes in fair value recognised in other comprehensive income	(233,770)	-	45,577	-
Changes in fair value recognised in the income statement	-	(210,179)	-	47,357
Translation adjustment	(169)	-	-	-
Balance at the end of the year	862,685	393,229	898,386	603,408

40 Financial Instruments (cont'd)

Methods and Assumptions Used to Determine Fair Values (cont'd)

Valuation Policies and Procedures

The Group has an established governance framework with respect to the measurement of fair values of its financial instruments. This framework includes a team that report directly to the respective divisional Chief Financial Officer and the Group's Chief Financial Officer. The measurement of fair values of financial instruments is performed, reviewed and validated on a periodical basis. The respective valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair value, then the respective valuation team assesses the reasonableness and documents the basis. All variances, if any, will be reviewed and reported to the Group's Chief Financial Officer.

41 Changes in Ownership Interests of Subsidiaries

(a) Changes in ownership interests of subsidiaries during the financial year 2022

In March 2022, Vulcan AI Pte Ltd ("Vulcan") issued 610 new shares to its non-controlling shareholders and new investors for an aggregate consideration of US$3,009,000. Following this shares issuance, the Group's effective interest in Vulcan decreased from 68.67% to 41.78%, resulting in Vulcan and its wholly-owned subsidiary, Vulcan AI Technologies Pte Ltd (collectively "Vulcan group"), ceasing to be subsidiaries of the Group and were equity accounted for as associated companies. An analysis of assets and liabilities which control was lost was as follows:

	Vulcan group US$'000
Intangible assets	918
Property, plant and equipment	46
Cash and cash equivalents	117
Other receivables	282
Other payables	(4,093)
Net liabilities derecognised	(2,730)
Add: Non-controlling interests' proportionate share of net liabilities	857
Add: Gain on deconsolidation of subsidiaries	1,988
Fair value of net assets deconsolidated	115
Less: Reclassification to investment in associated companies	(115)
	-
Less: Cash and cash equivalents deconsolidated	(117)
Net cash outflow from deconsolidation of subsidiaries	(117)

Subsequent to the above shares issuance, the Group through its wholly-owned subsidiary, disposed 176 shares in Vulcan for a consideration of US$1,000,000. The Group recognised a gain on disposal of US$969,000, with the Group's effective interest in Vulcan decreasing from 41.78% to 30.49%.

(b) Changes in ownership interests of a subsidiary during the financial year 2021

In April 2021, Vulcan issued 72 new shares to its non-controlling shareholders for a consideration of US$4,000. Following this transaction, the Group's effective interest in Vulcan decreased from 74.32% to 68.67%. The Group recognised an increase in other reserves of US$126,000 and a decrease in non-controlling interest of US$122,000.

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42 Operating Segment Information

For management purposes, the Group is organised into business units based on their products and has two reportable operating segments as follows:

Plantations and palm oil mills - comprises the products from upstream business;

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

2022	Plantations and palm oil mills US$'000	Palm, laurics and others US$'000	Eliminations US$'000	Total US$'000
Revenue from external customers	72,768	11,366,030	-	11,438,798
Inter-segment sales	2,195,623	-	(2,195,623)	-
Total revenue	2,268,391	11,366,030	(2,195,623)	11,438,798
EBITDA	804,405	1,021,974	(270)	1,826,109
Other information				
Capital expenditure	107,226	87,902	-	195,128
Unallocated capital expenditure				1,936
Total capital expenditure				197,064
Depreciation and amortisation	(262,759)	(134,982)	-	(397,741)
Allowance for impairment loss on property, plant and equipment	-	(409)	-	(409)
Write-back of expected credit loss on trade and other receivables	-	6,480	-	6,480
Net loss from changes in fair value of biological assets	(16,625)	-	-	(16,625)
Loss from changes in fair value of financial assets at fair value through profit or loss	(47,894)	(163,979)	-	(211,873)
Interest on borrowings	(90,795)	(91,698)	-	(182,493)
Share of profit of:				
Associated companies	240	3,652	-	3,892
Joint ventures	-	70,559	-	70,559
Assets				
Segment assets	4,927,659	4,793,576	(1,441,449)	8,279,786
Investment in:				
Associated companies	2,847	19,552	-	22,399
Joint ventures	-	247,645	-	247,645
Unallocated assets				1,352,242
Total assets				9,902,072
Liabilities				
Segment liabilities	(719,907)	(3,191,771)	1,437,600	(2,474,078)
Unallocated liabilities				(2,173,645)
Total liabilities				(4,647,723)

42 Operating Segment Information (cont'd)

2021	Plantations and palm oil mills US$'000	Palm, laurics and others US$'000	Eliminations US$'000	Total US$'000
Revenue from external customers	32,891	10,149,645	-	10,182,536
Inter-segment sales	2,157,195	-	(2,157,195)	-
Total revenue	2,190,086	10,149,645	(2,157,195)	10,182,536
EBITDA	779,215	434,354	448	1,214,017
Other information				
Capital expenditure	156,399	45,221	-	201,620
Unallocated capital expenditure				2,239
Total capital expenditure				203,859
Depreciation and amortisation	(265,011)	(100,295)	372	(364,934)
Allowance for impairment loss on property, plant and equipment	-	(941)	-	(941)
Provision for expected credit loss on trade and other receivables	-	(581)	-	(581)
Net gain from changes in fair value of biological assets	5,858	-	-	5,858
Gain from changes in fair value of financial assets at fair value through profit or loss	7,741	35,803	-	43,544
Interest on borrowings	(106,805)	(54,179)	62	(160,922)
Share of profit/(loss) of:				
Associated companies	(342)	4,345	-	4,003
Joint ventures	-	34,432	-	34,432
Assets				
Segment assets	5,320,555	4,345,023	(1,874,173)	7,791,405
Investment in:				
Associated companies	2,548	23,044	-	25,592
Joint ventures	-	183,896	-	183,896
Unallocated assets				1,607,218
Total assets				9,608,111
Liabilities				
Segment liabilities	(633,619)	(3,359,507)	1,859,228	(2,133,898)
Unallocated liabilities				(2,582,209)
Total liabilities				(4,716,107)

42 Operating Segment Information (cont'd)

A reconciliation of total EBITDA to total profit before income tax is as follows:

	2022 US$'000	2021 US$'000
EBITDA for reportable segments	1,826,379	1,213,569
Other EBITDA	(270)	448
Net (loss)/gain from changes in fair value of biological assets	(16,625)	5,858
Depreciation and amortisation	(397,741)	(364,934)
Foreign exchange gain	6,060	32,432
Interest on borrowings	(182,493)	(160,922)
Exceptional item	(409)	(941)
Profit before income tax	1,234,901	725,510

Revenue based on geographical location of customers is as follows:

	2022 US$'000	2021 US$'000
China	1,226,530	1,175,182
Indonesia	2,088,446	1,881,123
India	2,038,986	1,980,008
Rest of Asia	3,149,717	2,627,781
Europe	1,453,759	1,512,517
Others	1,481,360	1,005,925
Consolidated revenue	11,438,798	10,182,536

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:

	2022 US$'000	2021 US$'000
Indonesia	3,949,975	4,080,267
China	82,792	95,860
Singapore	145,707	133,931
India	76,279	75,994
Others	35,245	42,950
Total non-current non-financial assets	4,289,998	4,429,002

43 Related Party Transactions

(a) In addition to the related party information disclosed elsewhere in the consolidated financial statements, significant transactions with related parties, on terms agreed between parties, are as follows:

	2022 US$'000	2021 US$'000
(i) Sale of services		
Rental income from related parties	495	376
Rental income from joint ventures	111	105
Rental income from an associated company	-	20
(ii) Purchase of goods and services		
Insurance premium to a related party	4,680	6,086
Purchase of non-palm oil products and services from related parties	151,083	85,992
Purchase of non-palm oil products and services from joint ventures	121	28
Freight and related expenses to joint ventures	16,732	5,787
Rental and service charge expense to related parties	3,687	211
Rental and service charge expense to an associated company	-	31
(iii) Dividend income from:		
- joint ventures	3,000	4,000
- an associated company	1,121	1,224

(b) The key management personnel remuneration is as follows:

	2022 US$'000	2021 US$'000
Directors of the holding company*	19,318	12,336
Other key management personnel	9,896	9,906

*Included in the above remuneration are variable bonus payable based on performance for the same financial year. Comparative figures have been re-presented from US$5,439,000 to US$12,336,000 to conform to current year's presentation.

Included in the above remuneration are post-employment benefits of US$32,126 for the current financial year (2021: US$39,494).

44 Financial Risk Management

(a) Capital Risk Management

The Group manages its capital to safeguard the Group's ability to continue as a going concern in order to maximise the return to shareholders and benefits for other stakeholders through the optimisation of the debts and equity balance. The Group's overall strategy remains unchanged since 2021. Neither the Group nor the Company is subject to externally imposed capital requirements. The Group monitors capital using net debts-to-equity ratio and adjusted net debts-to-equity ratio.

Net debts-to-equity ratio equals net debts divided by total equity. Total equity comprises share capital, share premium, reserves, retained earnings and non-controlling interests.

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44 Financial Risk Management (cont'd)

(a) Capital Risk Management (cont'd)

	Note	2022 US$'000	2021 US$'000
Short-term borrowings	28	1,737,828	1,545,543
Long-term borrowings	29	655,630	974,286
Bonds and notes payable	30	564,080	448,799
Lease liabilities	31	26,044	29,086
Total debts		2,983,582	2,997,714
Less: Cash and cash equivalents	13	(691,065)	(498,870)
Net debts		2,292,517	2,498,844
Total equity		5,254,349	4,892,004
Net debts-to-equity ratio (times)		0.44	0.51

Adjusted net debts-to-equity ratio equals adjusted net debts divided by total equity. Adjusted net debts comprise net debts (as defined above) less liquid working capital. Liquid working capital includes short-term investments, trade receivables, advances and deposits to suppliers and inventories (excluding consumables) less trade and trust receipts payables and advances and deposits.

	2022 US$'000	2021 US$'000
Net debts	2,292,517	2,498,844
Less: Liquid working capital:		
Short-term investments	(454,048)	(167,147)
Trade receivables	(790,779)	(782,942)
Inventories (excluding consumables)	(1,365,594)	(1,230,065)
Advances and deposits to suppliers	(225,693)	(179,324)
Trade and trust receipts payables	583,828	679,703
Advances and deposits	102,200	151,032
Adjusted net debts	142,431	970,101
Total equity	5,254,349	4,892,004
Adjusted net debts-to-equity ratio (times)	0.03	0.20

The directors of the Company review the capital structure on a semi-annual basis. As a part of the review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Accordingly, the Group will balance its overall capital structure through the payment of dividends, new share issues and shares buy-back as well as the issue of new debt or the redemption of existing debt.

(b) Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risks (including interest rate risk, foreign currency risk, price risk), credit risk, liquidity risk, and cash flow risk. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance. The Group may use relevant financial instruments to manage certain risks. Such financial instruments are not held for trade or speculative purposes.

44 Financial Risk Management (cont'd)

(b) Financial Risk Management (cont'd)

(i) Interest Rate Risk

The Group's exposure to cash flow and fair value interest rate risk arises primarily on its existing interest-bearing borrowings. Cash flow interest rate risk is the risk that the future cash flow of borrowings at variable rate will fluctuate because of changes to market interest rates. Fair value interest rate risk is the risk that the fair values of borrowings at fixed rate will fluctuate because of changes to market interest rates. The interest rate that the Group will be able to obtain on debt financing will depend on market conditions at that time, and may differ from the rates the Group has secured currently.

As at 31 December 2022, if interest rates on net financial liabilities at variable rate had been 1% (2021: 1%) lower with all other variables held constant, profit before income tax and total equity for the year would have been higher by approximately US$16,582,000 and US$12,988,000 (2021: US$17,110,000 and US$13,419,000) respectively, as a result of lower interest expense and vice versa. This analysis is prepared assuming the amount of net financial liabilities outstanding at the end of the reporting period was outstanding for the whole year.

In respect of interest-earning financial assets and interest-bearing financial liabilities, the interest rates and repayment terms are disclosed in the respective notes to the consolidated financial statements. The tables below set out the interest rate profile of the Group's interest-bearing financial instruments at carrying amount.

	2022 US$'000	2021 US$'000
Financial Assets		
Variable rate	548,922	550,083
Fixed rate	619,059	156,457
Non-interest bearing	2,174,951	2,447,487
	3,342,932	3,154,027
Financial Liabilities		
Variable rate	2,202,888	2,255,858
Fixed rate	936,692	1,040,704
Non-interest bearing	719,338	623,605
	3,858,918	3,920,167

A fundamental financial industry reform of interest rate benchmarks for borrowing contracts is being undertaken globally, including the cessation and replacement of interbank offered rates ("IBORs") with alternative nearly risk-free rates (referred to as "interest rate benchmark reform"). The Group's interest rate risk that is directly affected by the interest rate benchmark reform predominantly comprises its variable rate borrowings that are indexed to LIBOR, EURIBOR or Singapore Swap Offer Rate ("SOR"). As at 31 December 2022, the Group has variable rate borrowings of US$530,003,000 (2021: US$983,637,000) that are mainly indexed to LIBOR. These borrowing contracts which maturing after the cessation of IBORs publication include a fallback clause that deals with the cessation and replacement of the existing IBORs to other index benchmark (e.g. Secured Overnight Financing Rate ("SOFR") or Singapore Overnight Rate Average ("SORA")) and/or other bank rates.

(ii) Foreign Currency Risk

The Group operates in several countries. Entities within the Group regularly transact in currencies other than their respective functional currency ("foreign currency") such as Indonesian rupiah ("IDR"), the Chinese renminbi ("RMB") and the United States dollar ("USD") which is also the Group's presentation currency.

44 Financial Risk Management (cont'd)

(b) Financial Risk Management (cont'd)

(ii) Foreign Currency Risk (cont'd)

Sales to domestic customers within Indonesia and China are denominated in their local currencies, while export sales for most of the Group's products and cost of certain key purchases are quoted in United States dollar. Purchases and operating expenses in Indonesia and China are mainly denominated in their local currencies. To the extent that the revenue and purchases of the Group are denominated in different currencies, and may not evenly match in terms of quantum and/or timing, the Group has exposure to foreign currency risk.

The Group seeks to manage its foreign currency exposure by constructing a natural hedge where it matches revenue and expenses in any single currency or through financial instruments, such as forward exchange contracts and cross currency swap contracts. The Group is also exposed to currency translation risk arising from its net investments in foreign operations. These net investments are not hedged as currency positions in these foreign operations are considered long-term in nature.

As at the end of the current reporting period, if IDR strengthen/weaken against USD by 5% with all other variables, including interest rates remain constant, the Group's profit before income tax would have decreased/increased by US$23,035,000 (2021: US$24,477,000).

(iii) Price Risk

Market price risk is the risk that the fair value of the Group's financial instruments will fluctuate because of changes in market prices. The Group is exposed to equity price risk arising from its investment in quoted equity instruments. These instruments are classified as financial assets as fair value through profit or loss. No sensitivity analysis is presented as management believes that market price risk is not significant.

The Group is exposed to commodity price risk as the Group's products are related to agricultural commodities. During its ordinary course of business, the value of the Group's open sales and purchases commitments and inventory of raw material changes continuously in line with movements in the prices of the underlying commodities. To the extent that its open sales and purchases commitments do not match at the end of each business day, the Group is subjected to price fluctuations in the commodities market. While the Group is exposed to fluctuations in agricultural commodities prices, the Group seeks to manage the exposure by hedging its contracts either through forward, futures and options contracts on the commodity exchanges. No sensitivity analysis is presented as management believes that commodity price risk is not significant.

(iv) Significant Concentrations of Credit Risk

Concentrations of credit risk exists when changes in economic, industry or geographical factors similarly affect counterparties whose aggregate credit exposure is significant in relation to the Group's total credit exposure.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

(v) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and cash and cash equivalents. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group performs ongoing credit evaluation of its customers' financial conditions. Customers may be required to provide security in terms of cash deposits or letters of credit.

44 Financial Risk Management (cont'd)

(b) Financial Risk Management (cont'd)

(v) Credit Risk (cont'd)

Cash and cash equivalents mainly comprise deposits with reputable banks with acceptable credit ratings. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies, with ratings ranging from Aa1 to Baa3. There was no impairment loss recognised on cash and cash equivalents during the current financial year.

The Group recognises loss allowances for ECLs on trade and non-trade receivables as disclosed in Note 15, Note 16 and Note 19 to the consolidated financial statements.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of the reporting period is the carrying amount of each class of assets in the statement of financial position, except as follows:

	2022 US$'000	2021 US$'000
Corporate guarantees provided to financial institutions on borrowings of joint ventures and entities owned by investees and joint ventures:		
Total facilities	505,552	555,186
Total outstanding	378,504	406,154

(vi) Liquidity Risk

To manage liquidity risk, the Group maintains a level of cash and cash equivalents and funding facilities deemed adequate by management to finance its operations. In assessing the adequacy of the facilities, management reviews its working capital requirements. The table below analyses the maturity profile of the Group's financial liabilities based on the contractual undiscounted cash flows (inclusive of principals and estimated interest until maturity):

	Less than 1 year US$'000	1 to 5 years US$'000	Over 5 years US$'000	Total US$'000
At 31 December 2022				
Short-term loans	1,249,152	-	-	1,249,152
Long-term loans	555,293	707,372	-	1,262,665
Bonds and notes payable	138,919	535,891	-	674,810
Lease liabilities	8,467	15,088	4,912	28,467
Other financial liabilities	875,336	-	-	875,336
Financial guarantee contracts	47,668	279,636	51,200	378,504
	2,874,835	1,537,987	56,112	4,468,934
At 31 December 2021				
Short-term loans	1,195,818	-	-	1,195,818
Long-term loans	414,646	1,025,340	10,527	1,450,513
Bonds and notes payable	55,321	500,922	-	556,243
Lease liabilities	12,979	14,259	4,384	31,622
Other financial liabilities	922,453	-	-	922,453
Financial guarantee contracts	82,895	192,059	131,200	406,154
	2,684,112	1,732,580	146,111	4,562,803

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45 Significant Commitments

Capital expenditure and investment commitment

At the end of the reporting period, the estimated significant expenditure and investment in financial instruments committed but not provided for in the consolidated financial statements are as follows:

	2022 US$'000	2021 US$'000
Capital expenditure	77,358	61,733
Investment in equity securities	94,799	161,374

46 Group Companies

The details of the subsidiaries are as follows:

Name of company	Principal activities	Place of business/ incorporation	Effective interest of the Company 2022 %	Effective interest of the Company 2021 %
Subsidiaries held by the Company				
Asia Integrated Agri Resources Limited	Investment holding	Bermuda	100.00	100.00
Blue Sky Golden Energy Ltd (b1)	Investment holding	Mauritius	100.00	100.00
Easton Capital Resources Pte. Ltd.	Investment holding and treasury management	Singapore	100.00	100.00
Golden Agri Capital Pte. Ltd.	Investment holding and treasury management	Singapore	100.00	100.00
Golden Agri International Finance Ltd (b1)	Treasury management	Mauritius	100.00	100.00
Golden Agri International Finance (2) Ltd (b2)	Treasury management	British Virgin Islands	100.00	100.00
Golden Agri International (Mauritius) Ltd (b1)	Investment holding and business and management consultancy services	Mauritius	100.00	100.00
Golden Agri International Pte Ltd	Trading in crude palm oil and related products	Singapore	100.00	100.00
Golden Agri International Trading Ltd. (b4)	Trading in crude palm oil and related products	Malaysia	100.00	100.00
Golden Agri Investment (S) Pte. Ltd.	Investment holding	Singapore	100.00	100.00
Golden Agri (Labuan) Ltd (b1)	Trading in crude palm oil and related products and treasury management	Malaysia	100.00	100.00

46 Group Companies (cont'd)

Name of company	Principal activities	Place of business/ incorporation	Effective interest of the Company 2022 %	2021 %
Subsidiaries held by the Company (cont'd)				
Golden Americas Pte. Ltd. (b3)	Investment holding	Singapore	100.00	100.00
Golden Asset Capital Investment Pte. Ltd.	Investment holding	Singapore	100.00	100.00
Golden Assets International Finance Limited	Treasury management	British Virgin Islands	100.00	100.00
Golden Assets International Investment Pte. Ltd.	Treasury management	Singapore	100.00	100.00
Golden Capital Resources (S) Pte. Ltd.	Investment holding and treasury management	Singapore	100.00	100.00
Golden Funds & Investment Management Pte. Ltd.	Investment holding and treasury management	Singapore	100.00	100.00
Golden Logistics International Limited (b8)	Investment holding	Hong Kong	100.00	100.00
Golden Oleo Pte. Ltd.	Investment holding	Singapore	100.00	100.00
Madascar Investment Ltd (b1)	Investment holding	Mauritius	100.00	100.00
PT Purimas Sasmita ("Purimas") (b1),(a)	Investment holding, building management services, business and management consultancy and trading	Indonesia	100.00	100.00
Subsidiaries held through subsidiaries				
PT Abadimas Investama (b1)	Investment holding and business and management consultancy services	Indonesia	100.00	100.00
Accord Investments Ltd. (b2)	Investment holding	Malaysia	100.00	100.00
Aerolink Investment Pte. Ltd.	Investment holding	Singapore	100.00	100.00
AFP Agri-Resources Trading (M) Sdn. Bhd. (b1)	Investment holding	Malaysia	100.00	100.00
AFP International Trading (Shanghai) Co., Ltd (b9)	Trading in edible oils and its related products	People's Republic of China	100.00	100.00
PT Aditunggal Mahajaya (b5)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00

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46 Group Companies (cont'd)

Name of company	Principal activities	Place of business/ incorporation	Effective interest of the Company 2022 %	Effective interest of the Company 2021 %
Subsidiaries held through subsidiaries (cont'd)				
PT Agrokarya Primalestari (b1)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Agrolestari Hijau Sentosa (b1)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Agrolestari Mandiri (b1)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Agrolestari Sentosa (b1)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Agrolestari Subur Sejahtera (b1)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Agropalma Sejahtera (b1)	Investment holding	Indonesia	100.00	100.00
Ascent Industrial Complex Sdn. Bhd. (b6)	Operation of bulking stations, export, import, administration of transportation services, management and trading	Malaysia	100.00	100.00
Asia Palm Oil Investment Pte. Ltd.	Investment holding	Singapore	100.00	100.00
Aurea Resource Trading Company Limited (b2)	Investment holding	British Virgin Islands	100.00	100.00
PT Bahana Karya Semesta (b5)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Bangun Nusa Mandiri (b5)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
Belino Investments Limited (b2)	Investment holding	British Virgin Islands	100.00	100.00
PT Bhakti Manunggal Karya (b5)	Training services	Indonesia	100.00	100.00
Billford Investment Corporation Ltd. (b1)	Investment holding	Malaysia	100.00	100.00
PT Bina Kreasi Teknologi (b3)	Investment holding, trading and the provision of services in technology products	Indonesia	100.00	100.00

46 Group Companies (cont'd)

Name of company	Principal activities	Place of business/ incorporation	Effective interest of the Company 2022 %	Effective interest of the Company 2021 %
Subsidiaries held through subsidiaries (cont'd)				
PT Binasawit Abadipratama (b1)	Investment holding, oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
Blue Sky Golden FPS Ltd (b2)	Investment holding	British Virgin Islands	100.00	100.00
PT Buana Adhitama (b1)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Buana Artha Sejahtera (b5)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Buana Indah Mandiri (b5)	Transportation services	Indonesia	99.46	99.46
PT Buana Wiralestari Mas (b1)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Bumi Persada Sejahtera (b5)	Investment holding and business and management consultancy	Indonesia	100.00	100.00
PT Bumi Sawit Permai (b5)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Bumimas Sentramakmur (b1)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Bumipalma Lestaripersada (b1)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Bumipermai Lestari (b5)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Cahayanusa Gemilang (b1)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
Centrino Investment Ltd. (b2)	Investment holding	Malaysia	100.00	100.00
PT Citra Bhakti Mandiri (b1)	Investment holding	Indonesia	100.00	100.00
PT Dami Mas Sejahtera (b1)	Production and sale of oil palm seeds	Indonesia	100.00	100.00
PT Djuandasawit Lestari (b5)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
Dragon Capital Investments Ltd (b1)	Investment holding	Mauritius	100.00	100.00
PT Dumai Mas Resources (b5)	Producer of edible oils and fats	Indonesia	100.00	100.00

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46 Group Companies (cont'd)

Name of company	Principal activities	Place of business/ incorporation	Effective interest of the Company 2022 %	2021 %
Subsidiaries held through subsidiaries (cont'd)				
Eco Investment Ltd (b2)	Investment holding	Malaysia	100.00	100.00
Enterprise Capital Corporation (b1)	Investment holding	Malaysia	100.00	100.00
Florentina International Holdings Limited (b1)	Investment holding	Mauritius	100.00	100.00
PT Forestalestari Dwikarya (b5)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Fortuna Abadi Mandiri (b5)	Investment holding	Indonesia	100.00	100.00
GAR Pakistan (Pvt.) Limited (b1)	Commercial import and trading in crude palm oil and related products	Pakistan	100.00	100.00
GC Maritime Pte. Ltd. (c)	Ownership of shipping vessel(s)	Singapore	100.00	-
Gemini Edibles & Fats India Limited (b12)	Trading, manufacturing and marketing of edible oils and fats	India	56.27	56.27
PT Genta Mas Perkasa (b5)	Investment holding	Indonesia	100.00	100.00
GF International Holdings Pte. Ltd.	General wholesale trade	Singapore	100.00	100.00
GFI Food and Beverages Limited (b3),(g)	Sale of food and beverage products	Federal Republic of Nigeria	-	100.00
Golden Adventure (GSW) Pte. Ltd.	Ship owning and ship chartering	Singapore	70.00	70.00
Golden Agri International Enterprises Pte. Ltd.	Investment holding and business and management consultancy services	Singapore	100.00	100.00
Golden Agri International (L) Ltd (b1)	Trading in crude palm oil and related products	Malaysia	100.00	100.00
Golden Agri International (M) Ltd (b2)	Trading in crude palm oil and related products	Cayman Islands	100.00	100.00
Golden Agri International (M) Trading Sdn. Bhd. (b1)	Trading in crude palm oil and related products	Malaysia	100.00	100.00

46 Group Companies (cont'd)

Name of company	Principal activities	Place of business/ incorporation	Effective interest of the Company 2022 %	2021 %
Subsidiaries held through subsidiaries (cont'd)				
Golden Agri International Trading (Cayman) Ltd (b2)	Trading in crude palm oil and related products	Cayman Islands	100.00	100.00
Golden Agri International Trading (Mauritius) Ltd (b1)	Investment holding	Mauritius	100.00	100.00
Golden Agri Investment & Management Limited (b8)	Investment holding	Hong Kong	100.00	100.00
Golden-Agri Maritime Pte. Ltd.	Ship management	Singapore	100.00	100.00
Golden Agri Plaza Pte. Ltd.	Commercial and industrial real estate management and property investment	Singapore	100.00	100.00
Golden Agri-Resources Brasil Sociedade Limitada Unipessoal (b2)	Sales and logistical support services	Brazil	100.00	100.00
Golden Agri-Resources Colombia S.A.S. (b2)	Trading in tropical oil and their related products; logistics and business/ management consultancy services	Republic of Colombia	100.00	100.00
Golden Agri-Resources Europe B.V. (b1)	Investment holding, treasury management, sales support services and trading in tropical oils and their by-products; oleochemicals	The Netherlands	100.00	100.00
Golden Agri-Resources Europe Holding Pte. Ltd.	Investment holding	Singapore	100.00	100.00
Golden Agri-Resources Germany GmbH (b2)	Trade and distribution of oleochemical products	Germany	100.00	100.00
Golden Agri-Resources Iberia, S.L. (b1)	Sales, marketing and trading in tropical oils and their by-products; oleochemicals and sugar	Spain	100.00	100.00
Golden Agri Resources (India) Private Limited (b1)	Trading and refining of crude palm oil and related products	India	100.00	100.00
Golden Agri-Resources Nigeria Limited (b3)	Importing, marketing and distributing palm oil products	Federal Republic of Nigeria	100.00	100.00
Golden Agri-Resources USA, Inc. (b1)	Trading in tropical oils and their by-products	United States of America	100.00	100.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2022

46 Group Companies (cont'd)

Name of company	Principal activities	Place of business/ incorporation	Effective interest of the Company 2022 %	2021 %
Subsidiaries held through subsidiaries (cont'd)				
Golden Agri Trading (L) Ltd (b4),(g)	Trading in edible oils and its related products	Malaysia	-	100.00
Golden Airlines Limited (b8)	Investment holding	Hong Kong	100.00	100.00
Golden Avenue (GSW) Pte. Ltd.	Ship owning and ship chartering	Singapore	70.00	70.00
PT Golden Biomass Energy *(formerly known as "PT Goldenfood International Indonesia")* (b1)	Trading in palm-based products	Indonesia	100.00	100.00
Golden Capital Asset Pte. Ltd.	Investment holding	Singapore	100.00	100.00
Golden Food International (Shanghai) Co., Ltd. (b9)	Sale of food products	People's Republic of China	100.00	100.00
Golden Funds & Investment Services Pte. Ltd.	Investment holding and treasury management	Singapore	100.00	100.00
Golden Maritime Pte. Ltd.	Investment holding	Singapore	100.00	100.00
Golden Natural Resources (HK) Investment Co. Limited (b8)	Investment holding	Hong Kong	100.00	100.00
Golden Natural Resources (Shanghai) International Trade Co., Ltd. (b9)	Trading in edible oils and its related products	People's Republic of China	100.00	100.00
PT Harapan Rimba Raya (b1)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
Harford Holdings Limited (b2)	Investment holding	British Virgin Islands	100.00	100.00
PT Hijau Alam Sejati *(formerly known as "PT Global Media Telekomindo")* (b1)	Forestry, carbon storage and absorption services	Indonesia	100.00	100.00
Huafeng Foodstuff (Fuxin) Co., Ltd (b9)	Manufacturing and sale of processed instant noodles, snack products and beverages	People's Republic of China	100.00	100.00
Huafeng Foodstuff (Xian Yang) Co., Ltd (b9)	Manufacturing and sale of processed instant noodles, snack products and beverages	People's Republic of China	100.00	100.00

46 Group Companies (cont'd)

Name of company	Principal activities	Place of business/ incorporation	Effective interest of the Company 2022 %	2021 %
Subsidiaries held through subsidiaries (cont'd)				
PT Indokarya Mas Sejahtera (b1)	Investment holding and business and management consultancy	Indonesia	100.00	100.00
Integrated Advance IT Services Sdn. Bhd. (b1)	IT consultancy, IT application design, development and maintenance services and provision of facilities for data centre resources and other IT outsourced activities	Malaysia	100.00	100.00
Integrated Investments Ltd (b1)	Investment holding	Mauritius	100.00	100.00
PT Ivo Mas Tunggal (b1)	Investment holding, oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Ivomas Oil & Fat (b5)	Investment holding and business and management consultancy	Indonesia	100.00	100.00
PT Ivomas Tunggal Lestari (b1)	Provision of maintenance services for palm oil processing units	Indonesia	100.00	100.00
PT Kartika Prima Cipta (b5)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Kencana Graha Permai (b1)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Kharisma Riau Sentosa Prima (b1)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Kreasi Mas Indah (b1)	Producer of beverage products	Indonesia	100.00	100.00
PT Kresna Duta Agroindo (b1)	Oil palm cultivation and palm oil producer	Indonesia	92.40	92.40
PT Kruing Lestari Jaya (b1)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Kurnia Cakra Sakti (b3)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Kusuma Binamakmur (b3)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Langgeng Subur (b1)	Cultivation of ornamental plants	Indonesia	92.40	92.40
Madascar Capital Pte. Ltd.	Investment holding	Singapore	100.00	100.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2022

46 Group Companies (cont'd)

Name of company	Principal activities	Place of business/ incorporation	Effective interest of the Company 2022 %	Effective interest of the Company 2021 %
Subsidiaries held through subsidiaries (cont'd)				
PT Mantap Andalan Unggul (b3)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Maskapai Perkebunan Leidong West Indonesia (b1)	Oil palm cultivation and palm oil producer	Indonesia	92.40	92.40
PT Meganusa Intisawit (b1)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Meganusa Karya Langgeng (b5)	Investment holding and business and management consultancy	Indonesia	100.00	100.00
PT Mitra Ekasukses Abadi (b5)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Mitrakarya Agroindo (b1)	Oil palm cultivation and palm oil producer	Indonesia	99.95	99.95
PT Mitranusa Permata (b1)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Mutiara Mahkota Mulia (b5)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
Ningbo Shining Gold Cereal Oil Port Co., Ltd	Port and storage facilities	People's Republic of China	81.73	81.73
Ningbo Shining Gold Cereal Oil Storage Co., Ltd	Provide services in port loading, storage, packaging and transportation	People's Republic of China	81.73	81.73
PT Nusantara Candra (b3)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Nusatama Agung Kreasi (b3)	Producer of edible oils and fats	Indonesia	100.00	100.00
PT Oleokimia Sejahtera Mas (b1)	Refinery operation	Indonesia	100.00	100.00
PT Palmindo Billiton Berjaya (b5)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Paramitra Agung Cemerlang (b1)	Provision of shipping and chartering services	Indonesia	100.00	100.00
PT Paramitra Internusa Pratama (b5)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00

46 Group Companies (cont'd)

Name of company	Principal activities	Place of business/ incorporation	Effective interest of the Company 2022 %	2021 %
Subsidiaries held through subsidiaries (cont'd)				
PT Pelangi Mega Buana (b1)	Investment holding	Indonesia	100.00	100.00
PT Pelangi Sungai Siak (b3)	Oil palm cultivation and palm oil producer	Indonesia	78.54	78.54
PT Perkasa Mekar Abadi (b3)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Persada Graha Mandiri (b5)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Piranti Muktisentosa (b1)	Investment holding	Indonesia	100.00	100.00
PT Perusahaan Perkebunan Panigoran (b1)	Oil palm cultivation and palm oil producer	Indonesia	92.40	92.40
PT Pratama Ronaperintis (b3)	Investment holding	Indonesia	64.68	64.68
PT Primatama Kreasimas (b5)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Prisma Cipta Mandiri (b5)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Propertindo Prima (b1)	Transportation services	Indonesia	92.40	92.40
PT Putra Manunggal Abadi (b1)	Investment holding	Indonesia	100.00	100.00
PT Ramajaya Pramukti (b1)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
Rapid Growth Investments Ltd (b1)	Investment holding	Mauritius	100.00	100.00
PT Rawa Bangunyaman (b3)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Rimba Rayatama Jaya (b1)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Satrindo Jaya Agropalma (b5)	Transportation services	Indonesia	100.00	100.00
PT Satya Kisma Usaha (b1)	Oil palm cultivation and palm oil producer	Indonesia	92.40	92.40
PT Sawit Mas Sejahtera (b5)	Investment holding, oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Sawitakarya Manunggul (b1)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2022

46 Group Companies (cont'd)

Name of company	Principal activities	Place of business/ incorporation	Effective interest of the Company 2022 %	2021 %
Subsidiaries held through subsidiaries (cont'd)				
Shining Gold Foodstuffs (Ningbo) Co., Ltd	Refinery of palm and vegetable oil	People's Republic of China	100.00	100.00
Shining Gold Oilseed Crushing (Ningbo) Co., Ltd	Manufacturing of crude vegetable oil	People's Republic of China	100.00	100.00
Silverand Holdings Ltd (b1)	Investment holding	Mauritius	100.00	100.00
PT Sinar Kencana Inti Perkasa (b1)	Oil palm cultivation and palm oil producer	Indonesia	100.00	100.00
PT Sinar Mas Agro Resources and Technology Tbk ("SMART") (b1)	Investment holding, oil palm cultivation and palm oil producer, refinery and producer of consumer cooking oil, shortening and margarine	Indonesia	92.40	92.40
Sinar Mas Natural Resources (China) Investment Co., Ltd (b10)	Investment holding	People's Republic of China	100.00	100.00
PT Sinarmas Bio Energy (b1)	Production of palm oil based bio-diesel and other renewable resources based energy	Indonesia	92.40	92.40
PT Sinarmas Cakrawala Persada (b1)	Investment holding	Indonesia	100.00	100.00
Sinarmas Corporate Management (Shanghai) Co., Ltd (b9)	Provision of management and consultancy services	People's Republic of China	100.00	100.00
Sinarmas Food (Hong Kong) Co., Limited (b8)	Investment holding	Hong Kong	100.00	100.00
Sinarmas Food (Shaoguan) Co., Ltd (b9)	Manufacturing and sale of food products and instant noodles	People's Republic of China	100.00	100.00
PT Sinarmas Sentra Cipta (b1)	Office administration services	Indonesia	92.40	92.40
PT Sinarmas Surya Sejahtera (b1)	Sale of food products	Indonesia	100.00	100.00
PT Sinar Mas Super Air (b5)	Aerial manuring	Indonesia	97.34	97.34
Sinarkonex Korea Co., Ltd (b3)	Dormant	Korea	70.00	70.00
Smart Trac Resources Trading Limited (b8)	Trading of palm oil and stearin	Hong Kong	100.00	100.00

46 Group Companies (cont'd)

Name of company	Principal activities	Place of business/ incorporation	Effective interest of the Company 2022 %	2021 %
Subsidiaries held through subsidiaries (cont'd)				
PT Soci Mas (b1)	Oleochemical industries	Indonesia	92.45	92.45
Solid Growth Investments Ltd (b1)	Investment holding	Mauritius	100.00	100.00
Sterling International Investment Ltd (b3)	Investment holding	Malaysia	100.00	100.00
Straits Investments Ltd (b1)	Investment holding	Mauritius	100.00	100.00
PT Sumber Indahperkasa (b5)	Oil palm cultivation and palm oil producer	Indonesia	96.39	96.39
PT Swakarya Adhi Usaha (b5)	Provision of maintenance services for palm oil processing units	Indonesia	100.00	100.00
PT Tapian Nadenggan (b1)	Investment holding, oil palm cultivation and palm oil producer	Indonesia	92.40	92.40
PT Tarunacipta Kencana (b1)	Ownership and operation of marine cargo	Indonesia	100.00	100.00
PT Tradisi Mas Sejahtera (b3)	Investment holding	Indonesia	62.50	62.50
Tree Oak Ventures Limited (b2)	Investment holding	British Virgin Islands	100.00	100.00
PT Tsani Hutani Abadi (b1)	Investment holding	Indonesia	100.00	100.00
PT Universal Transindo Mas (b5)	Transportation services	Indonesia	97.37	97.37
PT Usaha Malindo Jaya (b5)	Construction service	Indonesia	100.00	100.00
Victory Oleo Holding GmbH (b2)	Investment holding	Germany	100.00	100.00
Vulcan Al Pte. Ltd. (Note 41a)	Digital analytics	Singapore	-	68.67
Vulcan Al Technologies Pte. Ltd. (Note 41a)	Digital analytics	Singapore	-	68.67
Windflower Investments Limited (b2)	Investment holding and treasury management	British Virgin Islands	100.00	100.00
Woodside Financial Limited (b2)	Investment holding	Malaysia	100.00	100.00
Wuhan Jin Ding Foodstuff Co., Ltd (b9)	Manufacturing and sale of food products and instant noodles	People's Republic of China	100.00	100.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2022

46 Group Companies (cont'd)

Name of company	Principal activities	Place of business/ incorporation	Effective interest of the Company 2022 %	Effective interest of the Company 2021 %
Subsidiaries held through subsidiaries (cont'd)				
Zhongshan Huifeng Investment Advisory Co., Ltd (b9)	Dormant	People's Republic of China	100.00	100.00
Zhuhai Huafeng Film Co., Ltd (b9)	Dormant	People's Republic of China	85.00	85.00
Zhuhai Huafeng Printing Co., Ltd (b9)	Dormant	People's Republic of China	85.00	85.00
Zhuhai Huafeng Food Industry (Group) Co., Ltd (b9)	Manufacturing and sale of food products and instant noodles	People's Republic of China	100.00	100.00
Zhuhai Huafeng Foodstuff Co., Ltd (b9)	Manufacturing and sale of instant noodles	People's Republic of China	100.00	100.00
Zhuhai Sinarmas Huafeng Enterprise Co., Ltd (b9)	Investment holding	People's Republic of China	100.00	100.00
Zhuhai Shining Gold Oil and Fats Industry Co., Ltd	Refinery of palm and vegetable oil	People's Republic of China	85.00	85.00
The Group's associated companies are:				
Bluebrahma Clean Energy Solutions Private Limited ("Bluebrahma") (b15),(d)	Ethanol manufacturing and generation of clean energy	India	26.00	-
PT Catur Paramita (b3)	Property owner for education purposes	Indonesia	36.21	36.21
PT Duta Anugerah Indah (b11)	Television broadcasting which focuses on education and in the humanitarian field	Indonesia	28.08	28.08
Emperius Infralogistics Private Limited (b1)	Liquid storage tank and logistics solutions	India	26.00	26.00
PT Hortimart Agrogemilang (b3)	Production and sale of seeds	Indonesia	36.13	36.13
PT Sinar Meadow International Indonesia (b5)	Production of special vegetable oil and fat	Indonesia	50.00	50.00
Temix Oleo S.r.l. (b13),(e)	Production and distribution of fatty alcohols and derivatives, fatty acids and other chemicals	Italy	-	25.00
PT Wahana Agung Persada (b5)	Consultancy services and trading	Indonesia	49.00	49.00
Vulcan AI Pte. Ltd. (Note 41a)	Digital analytics	Singapore	30.49	-

46 Group Companies (cont'd)

Name of company	Principal activities	Place of business/ incorporation	Effective interest of the Company 2022 %	2021 %
The Group's joint ventures are:				
Golden Stena Bulk IMOIIMAX I Limited ("GSB I") (b7),(f)	Ownership of shipping vessel(s)	Cyprus	-	50.00
Golden Stena Bulk IMOIIMAX III Limited ("GSB III") (b7),(f)	Ownership of shipping vessel(s)	Cyprus	-	50.00
Golden Stena Bulk IMOIIMAX VII Limited ("GSB VII") (b7),(f)	Ownership of shipping vessel(s)	Cyprus	-	50.00
Golden Stena Bulk IMOIIMAX VIII Limited ("GSB VIII") (b7),(f)	Ownership of shipping vessel(s)	Cyprus	-	50.00
Golden Stena Bulk Limited (b7),(f)	Investment holding	Cyprus	50.00	-
Golden-Agri Stena Pte. Ltd.	Provision of ship management services and chartering and operation of vessels	Singapore	50.00	50.00
Sinarmas LDA Maritime Pte. Ltd. (b14)	Shipping and logistics business	Singapore	50.00	50.00
GSW F-Class Pte. Ltd.	Investment holding and ownership of vessel(s)	Singapore	50.00	50.00
Sinarmas Cepsa Pte. Ltd. (b7)	Investment holding	Singapore	50.00	50.00
PT Super Wahana Tehno (b1)	Production and distribution of bottled ionised mineral water	Indonesia	46.20	46.20

Notes:

(a) As at 31 December 2022, 51.00% of the share capital of Purimas is directly held by the Company and the remaining 49.00% of the share capital is held by PT Abadimas Investama.

As at 31 December 2021, 86.04% of the share capital of Purimas is directly held by the Company and the remaining 13.96% of the share capital is held by Silverand Holdings Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2022

46 Group Companies (cont'd)

Notes: (cont'd)

(b) The above group companies are audited by Moore Stephens LLP, Singapore except for group companies that are indicated below:

(1) Audited by member firms of Moore Global Network Limited of which Moore Stephens LLP, Singapore is a member.

(2) Statutory audit not required by law/exempted in its country of incorporation.

(3) Statutory audit is not required as the subsidiary is newly incorporated/inactive.

(4) Audited by KBCF Tan, Chartered Accountants.

(5) Audited by Tanubrata Sutanto Fahmi Bambang & Rekan (BDO).

(6) Audited by TNT, Chartered Accountants.

(7) Audited by PricewaterhouseCoopers LLP and its member firms.

(8) Audited by Alan Chan & Partners, Certified Public Accountants.

(9) Audited by Zhonghua Certified Public Accountants LLP, PRC.

(10) Audited by Beijing Dongshen Dingli International CPA, PRC.

(11) Audited by KAP Handoko & Suparmun.

(12) Audited by Walker Chandiok & Co LLP.

(13) Audited by S.R.C. Società di revisione contabile S.r.l.

(14) Audited by R Chan & Associates Pac.

(15) Audited by DSKW & Company.

(c) During the current financial year, GC Maritime Pte. Ltd. has been incorporated with an initial issued and paid-up capital comprising 1 share of US$1.

(d) In March 2022, the Group through its wholly-owned subsidiary, subscribed for 13,845,000 new shares in Bluebrahma for a consideration of INR190,450,000 (equivalent to US$2,562,000). Following the shares subscription, the Group holds 26% of the total shareholding in Bluebrahma, which became an associated company of the Group.

(e) In July 2022, the Group through its wholly-owned subsidiary, disposed its entire 25% shareholding in Temix Oleo S.r.l. for a consideration of EUR4,000,000 (equivalent to US$4,306,000). The Group recognised a loss on disposal of US$2,564,000. Following the disposal, Temix Oleo S.r.l. ceased to be an associated company of the Group.

46 Group Companies (cont'd)

Notes: (cont'd)

(f) The Group through its wholly-owned subsidiary, Golden Logistics International Limited ("GLIL"), acquired 50% shareholding in Golden Stena Bulk Limited ("GSBL") for a consideration of US$500. Following the acquisition, GLIL together with its joint venture partner, transferred all their shares in GSB I, GSB III, GSB VII and GSB VIII to GSBL and the consideration was satisfied by the issuance and allotment of additional new shares in the share capital of GSBL. Subsequently, GSB I, GSB III, GSB VII and GSB VIII became subsidiaries of GSBL.

(g) During the current financial year, GFI Food and Beverages Limited and Golden Agri Trading (L) Ltd were struck off.

(h) Pursuant to an internal restructuring exercise, PT Sumber Indahperkasa ("SIP"), a wholly-owned subsidiary of the Group, issued 542,850 new shares to SMART for a consideration of IDR 2,361.4 billion (equivalent to US$163,849,000). Following this shares issuance, the Group's effective interest in SIP decreased from 100% to 96.39%. The Group recognised a decrease in other reserves and an increase in non-controlling interests of US$9,879,000.

(i) As at 31 December 2022, the accumulated non-controlling interests is US$252,888,000 (2021: US$214,613,000), of which US$111,692,000 (2021: US$91,089,000) is for 7.6% non-controlling interests in SMART and its subsidiaries ("SMART Group") and US$117,489,000 (2021: US$113,046,000) is for 43.73% non-controlling interests in Gemini Edibles & Fats India Limited ("GEFI"). The non-controlling interests in respect of other subsidiaries are individually not material.

The following table summarises the financial information relating to SMART Group and GEFI which have non-controlling interests that are material to the Group:

	SMART Group		GEFI	
	2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000
Non-current assets	1,466,175	1,432,343	60,446	62,349
Current assets	1,521,695	1,614,525	900,358	372,498
Non-current liabilities	713,668	738,457	-	-
Current liabilities	777,836	1,080,243	692,131	176,337
Revenue	5,073,357	3,983,635	1,529,322	1,276,514
Profit for the year	325,678	153,024	82,767	88,433
Total comprehensive income	328,183	155,757	54,577	84,351
Profit allocated to NCI	24,752	11,630	36,193	38,672
Dividends paid to NCI	4,551	5,304	20,035	14,727
Cash inflows from operating activities	266,864	44,643	51,537	74,131
Cash outflows from investing activities	(86,908)	(96,543)	(323,968)	(56,635)
Cash (outflows)/inflows from financing activities	(212,680)	42,142	272,431	(17,496)
Net decrease in cash and cash equivalents	(32,723)	(9,759)	-	-

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FINANCIAL REPORTS

GOLDEN AGRI-RESOURCES LTD
(Incorporated in Mauritius)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2022

COMMENTARY OF THE DIRECTORS

The directors present their commentary, together with the audited financial statements of Golden Agri-Resources Ltd (the "Company") for the financial year ended 31 December 2022.

PRINCIPAL ACTIVITY

The Company was incorporated on 15 October 1996 and its principal activity is that of an investment holding company.

RESULTS AND DIVIDENDS

The Company's total comprehensive loss for the year ended 31 December 2022 was US$110,355,000 (2021: US$106,791,000).

At the Annual Meeting to be held on 24 April 2023, a final dividend (tax not applicable) of S$0.00991 per share, amounting to S$125,675,379.98 (equivalent to approximately US$93,578,000) will be recommended. These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained earnings for the financial year ending 31 December 2023.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance, changes in equity and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS

The independent auditors, Moore, have expressed their willingness to continue in office and will be automatically re-appointed under the Mauritius Companies Act 2001 at the next Annual Meeting.

CERTIFICATE FROM THE SECRETARY

We certify, to the best of our knowledge and belief that we have filed with the Registrar of Companies all such returns as are required of Golden Agri-Resources Ltd under the Mauritius Companies Act 2001 for the financial year ended 31 December 2022.

CORPORATE SECRETARY
IQ EQ CORPORATE SERVICES (MAURITIUS) LTD
33 Edith Cavell Street,
Port Louis, 11324,
MAURITIUS

Date: 17 March 2023

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GOLDEN AGRI-RESOURCES LTD (Incorporated in Mauritius)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Golden Agri-Resources Ltd (the "Company"), which comprise the statement of financial position as at 31 December 2022 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of accounting policies, as set out on pages 173 to 192.

In our opinion, these financial statements give a true and fair view of the financial position of the Company as at 31 December 2022 and of its financial performance, changes in equity, and cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the Commentary of the Directors and Certificate from the Secretary, or any other information. The other information does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Report on the Audit of Financial Statements (cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matter

This report is made solely to the Company's members, in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters that we are required to state in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GOLDEN AGRI-RESOURCES LTD (Incorporated in Mauritius)

Report on the Audit of Financial Statements (cont'd)

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditors.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Moore
Chartered Accountants

Shweta Moheeput, BSc, ACA
Licensed by FRC

Port Louis, Mauritius

Date: 17 March 2023

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 US$'000	2021 US$'000
Administrative expenses		(596)	(458)
Interest income		19	-
Foreign exchange (loss)/gain		(1,090)	144
Gain on disposal of certain interest in a subsidiary	10b	652,653	-
Allowance for impairment loss on investment in a subsidiary	10c	(655,931)	-
Loss before income tax	6	(4,945)	(314)
Income tax	7	(45,794)	-
Loss for the year		(50,739)	(314)
Other comprehensive loss:			
Item that will not be reclassified subsequently to profit or loss:			
Changes in fair value of equity instruments at fair value through other comprehensive income		(59,616)	(106,477)
Other comprehensive loss		(59,616)	(106,477)
Total comprehensive loss for the year, net of tax		(110,355)	(106,791)

The accompanying notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Note	2022 US$'000	2021 US$'000
Current assets			
Cash and cash equivalents	8	335	226
Other current assets	9	650,332	2,625
		650,667	2,851
Non-current assets			
Interest in subsidiaries	10	2,509,861	3,429,024
Long-term investments	11	61,164	82,585
		2,571,025	3,511,609
Total Assets		3,221,692	3,514,460
Current liabilities			
Accrued operating expenses		328	311
Payable to third parties	12	10	8
Loans and advances from subsidiaries, unsecured	13	326,340	1,395
		326,678	1,714
Non-current liabilities			
Loans and advances from subsidiaries, unsecured	13	18,383	352,468
Total Liabilities		345,061	354,182
Equity			
Issued capital	14	320,939	320,939
Share premium		1,850,965	1,850,965
Treasury shares	14	(39,825)	(37,517)
Other reserves			
Option reserve		31,471	31,471
Fair value reserve		(257,546)	(197,930)
		(226,075)	(166,459)
Retained earnings		970,627	1,192,350
		2,876,631	3,160,278
Total Liabilities and Equity		3,221,692	3,514,460

On behalf of the Board of Directors,

FRANKY OESMAN WIDJAJA
Director

RAFAEL BUHAY CONCEPCION, JR.
Director

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Issued Capital US$'000	Share Premium US$'000	Treasury Shares US$'000	Other Reserves US$'000	Retained Earnings US$'000	Total US$'000
Balance at 1 Jan 2022	320,939	1,850,965	(37,517)	(166,459)	1,192,350	3,160,278
Dividends (Note 16)	-	-	-	-	(170,984)	(170,984)
Shares buy-back and held as treasury shares (Note 14)	-	-	(2,308)	-	-	(2,308)
Loss for the year	-	-	-	-	(50,739)	(50,739)
Other comprehensive loss	-	-	-	(59,616)	-	(59,616)
Total comprehensive loss for the year	-	-	-	(59,616)	(50,739)	(110,355)
Balance at 31 Dec 2022	320,939	1,850,965	(39,825)	(226,075)	970,627	2,876,631
Balance at 1 Jan 2021	320,939	1,850,965	(37,517)	(59,982)	1,287,880	3,362,285
Dividends (Note 16)	-	-	-	-	(95,216)	(95,216)
Loss for the year	-	-	-	-	(314)	(314)
Other comprehensive loss	-	-	-	(106,477)	-	(106,477)
Total comprehensive loss for the year	-	-	-	(166,459)	(314)	(106,791)
Balance at 31 Dec 2021	320,939	1,850,965	(37,517)	(166,459)	1,192,350	3,160,278

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 US$'000	2021 US$'000
Cash flows from operating activities			
Loss before income tax		(4,945)	(314)
Adjustments for:			
Interest income		(19)	-
Gain on disposal of certain interest in a subsidiary	10b	(652,653)	-
Allowance for impairment loss on investment in a subsidiary	10c	655,931	-
Operating cash flows before working capital changes		(1,686)	(314)
Changes in operating assets and liabilities:			
Accrued operating expenses		17	(57)
Payable to third parties		2	-
Other current assets		20	(2)
Cash used in operations		(1,647)	(373)
Interest received		19	-
Tax paid		(45,794)	-
Net cash used in operating activities		(47,422)	(373)
Cash flows from investing activities			
(Disbursement)/Repayment of loans and advances to subsidiaries		(647,727)	138
Payment for long-term investments		(38,195)	(25,470)
Proceeds from disposal of certain interest in a subsidiary	10b	915,885	-
Net cash generated from/(used in) investing activities		229,963	(25,332)
Cash flows from financing activities			
(Repayment of)/Proceeds from loans and advances from subsidiaries, net	13	(9,140)	120,632
Payment of dividends		(170,984)	(95,216)
Payment for shares buy-back	14	(2,308)	-
Net cash (used in)/generated from financing activities		(182,432)	25,416
Net increase/(decrease) in cash and cash equivalents		109	(289)
Cash and cash equivalents at the beginning of the year		226	515
Cash and cash equivalents at the end of the year	8	335	226

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2022

These notes are an integral part of and should be read in conjunction with the accompanying financial statements.

1 General

Golden Agri-Resources Ltd ("GAR" or the "Company") is a public limited company incorporated in Mauritius whose securities are listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

The registered office of the Company is c/o IQ EQ Corporate Services (Mauritius) Ltd, 33 Edith Cavell Street, Port Louis, 11324, Mauritius. The principal activity of the Company is that of an investment holding company.

The financial statements were authorised for issue by the Board of Directors on 17 March 2023.

2 New and Revised International Financial Reporting Standards ("IFRSs")

(a) Adoption of New and Revised IFRSs

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and revised IFRSs issued that are relevant to its operations and effective for annual periods beginning on 1 January 2022. The adoption of the new and revised IFRSs has had no material financial impact on the financial statements of the Company.

(b) New and revised IFRSs issued but not yet effective

As at the date of these financial statements, the following amendments to IFRSs that are relevant to the Company's operations have been issued but are not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to IAS 1, *Disclosure of Accounting Policies* and IFRS Practice Statement 2 – *Making Materiality Judgements*	1 January 2023
Amendments to IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*	1 January 2023
Amendments to IAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	1 January 2023
Amendments to IAS 1, *Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current*	1 January 2024
Amendments to IAS 1, *Presentation of Financial Statements: Non-Current Liabilities with Covenants*	1 January 2024

The directors expect the adoption of the amendments to IFRSs above will have no material financial impact on the financial statements in the period of initial application.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2022

3 Summary of Accounting Policies

(a) Basis of Preparation

The financial statements, which are expressed in United States dollar, are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below and are drawn up in accordance with the provisions of IFRSs.

The preparation of financial statements in conformity with IFRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may actually differ from these estimates. Critical accounting estimates and assumptions used that are significant to the financial statements and areas involving a higher degree of judgement and complexity are disclosed in Note 5 to the financial statements.

(b) Functional and Presentation Currency

The functional and presentation currency of the Company is the United States dollar, the currency of the primary economic environment in which the Company operates. All financial information presented in United States dollar have been rounded to the nearest thousand, unless otherwise stated.

(c) Foreign Currencies

Transactions in a currency other than the functional currency ("foreign currency") are translated into United States dollar at the rates of exchange prevailing at the time the transactions are entered into. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated into United States dollar at exchange rates prevailing at such date. Exchange differences arising from the settlement of foreign currency transactions and from translation of foreign currency denominated monetary assets and liabilities are taken to the profit or loss.

Non-monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rates at the date of initial transactions. Non-monetary items denominated in foreign currencies that are measured at fair value are translated using the exchange rate at the date that the fair value was determined. Currency translation differences on monetary items are recognised as part of the fair value gain or loss in the profit or loss.

(d) Revenue Recognition

Revenue is recognised in the profit or loss as follows:

(i) Interest income from time deposits and other financial assets are recognised on a time-proportion basis, by reference to the principal outstanding and at the effective interest rate applicable.

(ii) Dividend income from investments is recognised on the date the dividends are declared payable by the investees.

3 Summary of Accounting Policies (cont'd)

(e) Income Tax

Current income tax for current and prior years are recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of each reporting period. The Company periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amount expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax liabilities are recognised on temporary differences arising on investments in subsidiaries except where the timing of the reversal of the temporary difference can be controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is charged or credited to the profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred income tax is also dealt with in equity. Deferred income tax assets and liabilities are offset when they relate to income taxes levied by the same tax authority. Tax rates enacted or substantively enacted by the end of each reporting period are used to determine deferred tax.

(f) Borrowing Costs

Borrowing costs are recognised in the profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other similar cost that incurred in connection with the borrowing of funds.

(g) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at banks and time deposits with maturities of three months or less which are highly liquid assets that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

(h) Investment in Subsidiaries

Subsidiaries are entities over which the Company has control. The Company controls an entity if and only if it has power over the entity and when it is exposed to, or has rights to variable returns from its involvement with the entity, and has the ability to use its power over the entity to affect those returns. The Company will re-assess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Investment in subsidiaries is stated at cost less any accumulated impairment losses. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down to its recoverable amount. On disposal of such investment, the difference between disposal proceeds and the carrying amounts of the investments are recognised in the profit or loss.

3 Summary of Accounting Policies (cont'd)

(i) Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss or whether there is any indication that an impairment loss previously recognised for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An asset's recoverable amount is calculated as the higher of the asset's value in use and/or its fair value less cost of disposal.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately, unless the relevant asset is land or buildings at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that it does not restate the asset to a carrying amount in excess of what would have been determined (net of depreciation) had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(j) Financial Assets

- Classification and measurement

The Company classifies its non-derivative financial assets in the following categories: financial assets measured at amortised cost and equity instruments at fair value through other comprehensive income ("FVOCI"). The classification depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. At initial recognition, the Company measures a financial asset at its fair value plus, transaction costs that are directly attributable to the acquisition of the financial asset.

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in the profit or loss. The Company's financial assets at amortised cost comprise non-trade receivables and cash and cash equivalents.

On initial recognition of an equity investment that is not held-for-trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to the profit or loss.

3 Summary of Accounting Policies (cont'd)

(j) Financial Assets (cont'd)

- Impairment of financial assets

The Company recognises loss allowances from expected credit losses ("ECLs") on financial assets measured at amortised costs.

The Company applies the general approach to provide for ECLs on financial assets measured at amortised costs. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition. At each reporting date, the Company assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and includes forward-looking information. If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls, which is the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes significant financial difficulty of a debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amounts of these assets.

(k) Financial Liabilities and Equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. The Company recognises financial liabilities on its statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument. Financial liabilities include payable to third parties and loans and advances from subsidiaries.

Non-trade payables are stated at face value which is the fair value of the debts, and subsequently measured at amortised cost using the effective interest method.

Ordinary shares are classified as equity. Share capital is determined using the par value of shares that have been issued. Share premium includes any excess received on the issuance of shares over the par value, net of any direct issue costs. The share premium amount may be applied only for the purpose specified in the Mauritius Companies Act 2001.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2022

3 Summary of Accounting Policies (cont'd)

(k) Financial Liabilities and Equity (cont'd)

The Company's own ordinary shares, which are re-acquired by the Company and held as treasury shares, are recognised at cost and deducted from equity. No gain or loss is recognised in the profit or loss on the purchase, sale, re-issuance or cancellation of equity shares. Any difference between the carrying amount of treasury shares and the consideration received, if re-issued, is recognised directly in equity as gain or loss on re-issuance of treasury shares.

(l) Dividend Distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved for payment.

(m) Related Party

A related party is a person or entity that is related to the reporting entity. A person is considered to be related if that person has the ability to control or jointly control the reporting entity, exercise significant influence over the reporting entity in making financial and operating decisions, or is a member of the key management personnel of the reporting entity or its parent. An entity is related to the reporting entity if they are members of the same group, an associate, a joint venture, or provides key management personnel services to the reporting entity or to the parent of the reporting entity. An entity is also considered to be related if it is controlled or jointly controlled by the same person who has significant influence over the reporting entity or is a member of the key management personnel of the reporting entity.

(n) Financial Guarantees

The Company has issued corporate guarantees to creditors for borrowings of its subsidiaries, joint ventures and entities owned by its investees and joint ventures. These guarantees are financial guarantee contracts as they require the Company to reimburse the creditors if the borrowers fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantees issued are initially measured at fair value and the initial fair value is amortised over the life of the guarantees. Subsequent to initial measurement, the financial guarantees are measured at the higher of the amortised amount and the amount of loss allowance.

ECLs are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Company expects to recover.

4 Financial Risk Management

(a) Capital Risk Management

The Company manages its capital to safeguard the Company's ability to continue as a going concern in order to provide return for shareholders and benefits for other stakeholders through the optimisation of the debts and equity balance. The Company's overall strategy remains unchanged since 2021.

The Company is not subjected to externally imposed capital requirements.

4 Financial Risk Management (cont'd)

(a) Capital Risk Management (cont'd)

The capital structure of the Company consists of total equity and net debts (which includes loans and advances from subsidiaries, net of cash and cash equivalents).

The debts-to-equity ratio as at 31 December 2022 and 2021 is as follows:

	2022 US$'000	2021 US$'000
Loans and advances from subsidiaries	344,723	353,863
Less: Cash and cash equivalents	(335)	(226)
Net debts	344,388	353,637
Equity	2,876,631	3,160,278
Debts-to-equity ratio (times)	0.12	0.11

(b) Financial Risk Management

The Company's activities exposed it to a variety of financial risks, including the effects of changes in interest rate risk, credit risk, foreign currency risk and liquidity risk arising in the normal course of the Company's business. The Company's risk management strategy seeks to minimise the potential adverse effects from these exposures. The management reviews and agrees policies for managing each of these risks and they are summarised below:

(i) Interest Rate Risk

The Company does not have any significant exposure to interest rate risks.

(ii) Credit Risk

The Company's policy is to enter into transactions with creditworthy counterparties so as to mitigate any significant credit risk. Bank balances were placed in financial institutions which are regulated and are monitored closely by the Company on an on-going basis.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies, with ratings ranging from Aa1 to Baa1. There was no impairment loss recognised on cash and cash equivalents during the current financial year.

The Company has rated its other receivables (including loans and advances to subsidiaries) as performing debts where the counterparty has a low risk of default and does not have any past due amounts. The loss allowance is measured at an amount equal to 12-month ECLs at initial recognition and these are assessed not to be material.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2022

4 Financial Risk Management (cont'd)

(b) Financial Risk Management (cont'd)

(ii) Credit Risk (cont'd)

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of the reporting period in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position, except as follows:

	2022 US$'000	2021 US$'000
Corporate guarantees provided to financial institutions on trade and banking facilities of subsidiaries:		
- Total facilities	2,205,276	2,404,618
- Total outstanding	1,409,512	1,931,030
Corporate guarantees provided to financial institutions on borrowings of joint ventures and entities owned by investees and joint ventures:		
- Total facilities	505,552	555,186
- Total outstanding	378,504	406,154

As at the end of the reporting period, other than as disclosed above, the Company does not have any significant concentration of credit risk.

(iii) Foreign Currency Risk

The Company's foreign currency exposure arises mainly from the exchange rate movements of the Singapore dollar and the United States dollar which is also the Company's functional currency.

As at the end of the reporting period, substantively all the Company's net monetary assets and liabilities are denominated in United States dollar, hence the Company does not have any significant exposure to foreign currency risk.

(iv) Liquidity Risk

To manage liquidity risk, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance its operations and mitigate the effects of fluctuations in cash flows. The Company relies on funds from subsidiaries as a significant source of liquidity.

The table below analyses the maturity profile of the Company's financial liabilities and financial guarantee provided to financial institutions on trade and banking facilities that shows the remaining contractual maturities:

	Less than 1 year US$'000	1 to 5 years US$'000	Over 5 years US$'000	Total US$'000
At 31 December 2022				
Payable to third parties	10	-	-	10
Loans and advances from subsidiaries, unsecured	326,340	18,383	-	344,723
Financial guarantee contracts	1,105,642	631,174	51,200	1,788,016
	1,431,992	649,557	51,200	2,132,749

4 **Financial Risk Management** (cont'd)

(b) Financial Risk Management (cont'd)

(iv) Liquidity Risk (cont'd)

	Less than 1 year US$'000	1 to 5 years US$'000	Over 5 years US$'000	Total US$'000
At 31 December 2021				
Payable to third parties	8	-	-	8
Loans and advances from subsidiaries, unsecured	1,395	352,468	-	353,863
Financial guarantee contracts	1,391,356	814,628	131,200	2,337,184
	1,392,759	1,167,096	131,200	2,691,055

5 **Critical Accounting Estimate, Assumption and Judgement**

The Company makes estimates and assumptions concerning the future. Estimates, assumptions and judgements are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical Judgement in Applying Accounting Policies

Impairment of Assets

The Company reviews the carrying amounts of the assets as at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount or value in use is estimated. Determining the value in use of long-lived assets, which require the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, requires the Company to make estimates and assumptions that can materially affect the financial statements. Any resulting impairment loss could have a material adverse impact on the Company's financial position and results of operations.

The preparation of the estimated future cash flows involves significant judgement and estimations. While the Company believes that the assumptions are appropriate and reasonable, significant changes in the assumptions may materially affect the assessment of recoverable amounts and may lead to future impairment charges. During the current financial year, the Company recognised impairment loss on investment in a subsidiary of US$655,931,000 (2021: Nil) in the financial statements.

(b) Critical Accounting Estimate and Assumption

Fair Value Measurement and Valuation Process

The Company's long-term investments are measured at fair value for financial reporting purposes. Management has to determine the appropriate valuation techniques and inputs for fair value measurements. Information about the valuation techniques and inputs used in determining the fair value of financial assets are disclosed in Note 11 to the financial statements. Changes in any key unobservable inputs will affect the fair value measurements and significant judgement is required in determining the underlying assumptions used in the calculations. During the current financial year, the Company recognised fair value loss of US$59,616,000 (2021: US$106,477,000) in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2022

6 Loss before Income Tax

This is arrived at after charging:

	2022 US$'000	2021 US$'000
Audit fees paid/payable to auditors	248	242
Non-audit services paid/payable to auditors	-	-

7 Income Tax

	2022 US$'000	2021 US$'000
Income tax expense attributable to the results is made up of:		
- Current income tax	45,794	-

The reconciliation of the current year income tax and the product of accounting loss multiplied by the Mauritius statutory tax rate is as follows:

	2022 US$'000	2021 US$'000
Loss before income tax	(4,945)	(314)
Tax calculated at tax rate of 15% (2021: 15%)	(742)	(47)
Non-deductible expenses/(Non-taxable income), net	745	(16)
Utilisation of previously unrecognised tax losses	(3)	-
Unrecognised deferred tax assets	-	63
Withholding tax expense	45,794	-
	45,794	-

The Company has been established as a "Category 1 Global Business Licence Company" for the purpose of the Financial Services Act 2007 and is grandfathered under the provisions of the Finance (Miscellaneous Provisions) Act 2018, up to 30 June 2021. As from 1 July 2021, the Company's Category 1 Global Business Licence (''GBL1'') has been automatically converted to a Global Business Licence (''GBL'') under the new tax regime.

The profit of the Company, as adjusted for income tax purposes, is subject to income tax at 15%. A partial exemption regime is available to the Company, whereby an income exemption of 80% is applicable to certain specified foreign-source income, provided that the enhanced substance requirements are met. The Company may still claim credit for actual foreign tax incurred if the Company has not claimed the 80% income exemption. There is no tax on capital gains in Mauritius.

At 31 December 2022, the Company had accumulated tax losses of US$1,044,000 (2021: US$1,063,000) available for offsetting against future taxable income and is therefore not liable to income tax. The deferred tax asset arising from these unutilised tax losses has not been recognised in the financial statements in accordance with the accounting policy in Note 3(e) to the financial statements.

7 Income Tax (cont'd)

The amount and expiry dates of unutilised tax losses for which no deferred tax asset is recognised are as follows:

	2022 US$'000	2021 US$'000
Expiry dates in year ending:		
31 December 2024	621	640
31 December 2026	423	423
	1,044	1,063

8 Cash and Cash Equivalents

	2022 US$'000	2021 US$'000
Cash at banks are denominated in:		
- United States dollar	58	140
- Singapore dollar	277	86
	335	226

9 Other Current Assets

	2022 US$'000	2021 US$'000
Prepaid expenses	8	28
Deposit	1	1
Advances to subsidiaries, unsecured	650,323	2,596
	650,332	2,625

The advances to subsidiaries are interest-free and repayable on demand. The other current assets are denominated in the following currencies:

	2022 US$'000	2021 US$'000
United States dollar	650,228	2,371
Singapore dollar	104	254
	650,332	2,625

10 Interest in Subsidiaries

	2022 US$'000	2021 US$'000
Investment in unquoted equity shares, at cost	3,165,792	3,429,024
Less: Provision for impairment loss	(655,931)	-
	2,509,861	3,429,024

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2022

10 Interest in Subsidiaries (cont'd)

Details of the direct subsidiaries held by the Company are as follows:

Name of subsidiary/Country of incorporation and Place of business	Principal activities	Percentage of effective interest held by the Company 2022 %	2021 %	Cost of investment 2022 US$'000	2021 US$'000
Asia Integrated Agri Resources Limited (a)(i) Bermuda	Investment holding	100	100	98,000	98,000
Blue Sky Golden Energy Ltd Mauritius	Investment holding	100	100	-*	-*
Easton Capital Resources Pte. Ltd. (a)(i) Singapore	Investment holding and treasury management	100	100	-*	-*
Golden Agri Capital Pte. Ltd. ("GAC") (a)(i),(c) Singapore	Investment holding and treasury management	100	100	1,144,652	1,144,652
Golden Agri International Finance Ltd Mauritius	Treasury management	100	100	-*	-*
Golden Agri International Finance (2) Ltd (a)(ii) British Virgin Islands	Treasury management	100	100	-*	-*
Golden Agri International (Mauritius) Ltd Mauritius	Investment holding and business and management consultancy services	100	100	-*	-*
Golden Agri International Pte Ltd (a)(i) Singapore	Trading in crude palm oil and related products	100	100	14,614	14,614
Golden Agri International Trading Ltd. (a)(v) Malaysia	Trading in crude palm oil and related products	100	100	-*	-*
Golden Agri Investment (S) Pte. Ltd. (a)(i) Singapore	Investment holding	100	100	-*	-*
Golden Agri (Labuan) Ltd (a)(i) Malaysia	Trading in crude palm oil and related products and treasury management	100	100	1,457,797	1,457,797
Golden Americas Pte. Ltd. (a)(iv) Singapore	Investment holding	100	100	-*	-*

10 Interest in Subsidiaries (cont'd)

Name of subsidiary/Country of incorporation and Place of business	Principal activities	Percentage of effective interest held by the Company 2022	2021	Cost of investment 2022	2021
		%	%	US$'000	US$'000
Golden Asset Capital Investment Pte. Ltd. (a)(i) Singapore	Investment holding	100	100	-*	-*
Golden Assets International Finance Limited (a)(i) British Virgin Islands	Treasury management	100	100	1	1
Golden Assets International Investment Pte. Ltd. (a)(i) Singapore	Treasury management	100	100	-*	-*
Golden Capital Resources (S) Pte. Ltd. (a)(i) Singapore	Investment holding and treasury management	100	100	-*	-*
Golden Funds & Investment Management Pte. Ltd. (a)(i) Singapore	Investment holding and treasury management	100	100	-*	-*
Golden Logistics International Limited (a)(iii) Hong Kong	Investment holding	100	100	-*	-*
Golden Oleo Pte. Ltd. (a)(i) Singapore	Investment holding	100	100	-*	-*
Madascar Investment Ltd Mauritius	Investment holding	100	100	67,600	67,600
PT Purimas Sasmita ("Purimas") (a)(i),(b) Indonesia	Investment holding, building management services, business and management consultancy and trading	100	100	383,128	646,360
				3,165,792	3,429,024

* Cost of investment is less than US$1,000.

Notes:

(a) The above subsidiaries are audited by Moore except for subsidiaries that are indicated below:

(i) Audited by member firms of Moore Global Network Limited of which Moore is a member.
(ii) No statutory audit required by law in its country of incorporation.
(iii) Audited by other firm of accountants, Alan Chan & Company, Certified Public Accountants (Practising).
(iv) Statutory audit is not required as the subsidiary is inactive.
(v) Audited by KBCF Tan, Chartered Accountants.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2022

10 Interest in Subsidiaries (cont'd)

Notes:

(b) During the current financial year, pursuant to an internal restructuring exercise, the Company disposed its 35.04% shareholding in the share capital of Purimas to PT Abadimas Investama, an indirect wholly-owned subsidiary of the Company, for an aggregate consideration of IDR14,336.1 billion (equivalent to US$915,885,000). The Company recognised a gain on disposal of US$652,653,000. Following the disposal, 51.00% of the share capital in Purimas is directly held by the Company and the remaining 49.00% of the share capital is held by PT Abadimas Investama.

At 31 December 2021, 86.04% of the share capital in Purimas is directly held by the Company and the remaining 13.96% of the share capital is held by Silverand Holdings Ltd.

(c) During the current financial year, an impairment loss of US$655,931,000 was recognised in respect of the Company's investment in GAC as the recoverable amount of its interest in GAC is less than the carrying amount.

11 Long-Term Investments

	2022 US$'000	2021 US$'000
Equity securities at FVOCI	61,164	82,585

Long-term investments are denominated in United States dollars. The fair value of the unquoted equity fund at FVOCI is classified under Level 3 of the fair value hierarchy. The valuation was performed using the net present value method on its underlying plantation assets, adjusted for the external borrowings. The expected cash flows from the whole life cycle of the oil palm plantations are determined using the market price and the estimated yield of fresh fruit bunches net of maintenance and harvesting costs, overhead costs and estimated cost to sell. The estimated yield of the oil palm plantations is dependent on the age of the oil palm trees, the location of the plantations, soil type and infrastructure. The market price is largely dependent on the prevailing market prices of crude palm oil and palm kernel. Point-of-sale costs include all costs that would be necessary to sell the assets.

The following table shows the key unobservable inputs used in the valuation models:

Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Oil palm trees have an average life of 25 years, with the first three years as immature and remaining years as mature.	The estimated fair value increases as the estimated average life increases.
Discount rate per annum of 13.18% (2021: 11.94%).	The estimated fair value increases as the estimated discount rate per annum decreases.
Average selling price of US$1,032 (2021: US$951) per metric tonne.	The estimated fair value increases as the estimated selling price increases.

As at the end of the current financial year, if the average selling price per metric tonne were 2.5% lower while all the other variables were held constant, the carrying amount of the investments would decrease by US$14.0 million.

11 Long-Term Investments (cont'd)

Movements in Level 3 financial assets measured at fair value are as follows:

	2022 US$'000	2021 US$'000
Equity Securities at FVOCI		
Balance at 1 January	82,585	163,592
Additions	38,195	25,470
Changes in fair value recognised in other comprehensive loss	(59,616)	(106,477)
Balance at 31 December	61,164	82,585

12 Payable to Third Parties

Payable to third parties are denominated in Singapore dollar. As at 31 December 2022 and 2021, the carrying amounts of payable to third parties approximate their fair values due to the relatively short-term maturity of these balances.

13 Loans and Advances from Subsidiaries, Unsecured

	2022 US$'000	2021 US$'000
Loans and advances from subsidiaries, unsecured:		
- Current	326,340	1,395
- Non-current	18,383	352,468
	344,723	353,863

The loans and advances from subsidiaries are interest-free and denominated in the following currencies:

	2022 US$'000	2021 US$'000
United States dollar	344,123	352,976
Others	600	887
	344,723	353,863

The current advances from subsidiaries are repayable on demand and the carrying amount approximates its fair value due to the relatively short-term maturity of these balances.

The fair value of the non-current loans and advances from subsidiaries is not determinable as the timing of the future cash flows arising from this amount cannot be measured reliably, hence this amount is recognised at the transaction price.

The reconciliation of movement of liabilities to cash flows arising from financing activities is presented as follows:

	2022 US$'000	2021 US$'000
Balance at 1 January	353,863	233,231
Additions	-	120,632
Repayment	(9,140)	-
Balance at 31 December	344,723	353,863

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2022

14 Issued Capital and Treasury Shares

	No. of ordinary shares		Amount	
	Issued capital	Treasury shares	Issued capital	Treasury shares
			US$'000	US$'000
Issued and fully paid:				
Balance at 31 December 2021 and 1 January 2022	12,837,548,556	(145,475,500)	320,939	(37,517)
Treasury shares purchased	-	(10,400,000)	-	(2,308)
Balance at 31 December 2022	12,837,548,556	(155,875,500)	320,939	(39,825)

The Company acquired 10,400,000 of its own shares in the open market during the current financial year. These shares are held as treasury shares. The total amount paid to acquire the shares of US$2,308,000 was presented as a component within shareholders' equity.

The holders of ordinary shares, except for treasury shares, are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. All shares, except for treasury shares rank equally with regards to the Company's residual assets.

15 Related Party Transactions

Other than the related party information disclosed elsewhere in the financial statements, there are no significant transactions with related parties.

16 Dividends

	2022	2021
	US$'000	US$'000
Ordinary dividends paid:		
Interim dividend paid in respect of current year of S$0.0080 (2021: S$0.00528) per share	72,337	49,523
Final dividend paid in respect of previous year of S$0.01077 (2021: S$0.0048) per share	98,647	45,693
	170,984	95,216

At the Annual Meeting to be held on 24 April 2023, a final dividend (tax not applicable) of S$0.00991 per share, amounting to S$125,675,379.98 (equivalent to approximately US$93,578,000) will be recommended. These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained earnings for the financial year ending 31 December 2023.

SHAREHOLDING STATISTICS

AS AT 10 MARCH 2023

STATED CAPITAL	:	US$2,132,078,856.40
NUMBER OF ISSUED SHARES (including treasury shares)	:	12,837,548,556
NUMBER OF ISSUED SHARES (excluding treasury shares and subsidiary holdings)	:	12,681,673,056
NUMBER/PERCENTAGE OF TREASURY SHARES	:	155,875,500 (1.23%)
NUMBER/PERCENTAGE OF SUBSIDIARY HOLDINGS	:	Nil (0%)
CLASS OF SHARES	:	Ordinary shares of US$0.025 each
VOTING RIGHTS	:	One vote per share. The Company cannot exercise any voting rights in respect of shares held by it as treasury shares.

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	903	2.68	40,275	0.00
100 - 1,000	3,300	9.80	1,716,919	0.02
1,001 - 10,000	13,287	39.47	80,042,896	0.63
10,001 - 1,000,000	16,073	47.75	957,907,276	7.55
1,000,001 & ABOVE	101	0.30	11,641,965,690	91.80
Total	**33,664**	**100.00**	**12,681,673,056**	**100.00**

TWENTY LARGEST SHAREHOLDERS

Name of Shareholders	No. of Shares	%
RAFFLES NOMINEES (PTE) LIMITED	3,622,345,081	28.56
HSBC (SINGAPORE) NOMINEES PTE LTD	2,570,513,491	20.27
MASSINGHAM INTERNATIONAL LTD	2,027,047,817	15.98
CITIBANK NOMINEES SPORE PTE LTD	1,076,405,812	8.49
UOB KAY HIAN PTE LTD	595,005,727	4.69
GOLDEN MOMENT LIMITED	475,000,000	3.75
DBS NOMINEES PTE LTD	301,358,473	2.38
FLAMBO INTERNATIONAL LIMITED	260,000,000	2.05
DBSN SERVICES PTE LTD	167,570,840	1.32
MORGAN STANLEY ASIA (S) SECURITIES PTE LTD	61,079,812	0.48
OCBC SECURITIES PRIVATE LTD	58,329,679	0.46
PHILLIP SECURITIES PTE LTD	55,346,349	0.44
UNITED OVERSEAS BANK NOMINEES PTE LTD	30,243,271	0.24
DBS VICKERS SECURITIES (S) PTE LTD	29,906,753	0.24
MAYBANK SECURITIES PTE. LTD.	26,901,296	0.21
ABN AMRO CLEARING BANK N.V.	24,081,675	0.19
DB NOMINEES (SINGAPORE) PTE LTD	19,222,070	0.15
CGS-CIMB SECURITIES (SINGAPORE) PTE LTD	16,732,926	0.13
BNP PARIBAS NOMINEES SINGAPORE PTE LTD	13,961,028	0.11
OCBC NOMINEES SINGAPORE PTE LTD	10,508,394	0.08
TOTAL	**11,441,560,494**	**90.22**

SHAREHOLDING STATISTICS

AS AT 10 MARCH 2023

SUBSTANTIAL SHAREHOLDERS

	No. of Shares in which they have an Interest				
Name	Direct Interest	Percentage % (1)	Deemed Interest	Percentage % (1)	Total Percentage (Direct and Deemed Interest) % (1)
ASCENT WEALTH INVESTMENT LIMITED ("Ascent")	1,050,000,000	8.28	-	-	8.28
MASSINGHAM INTERNATIONAL LTD ("MIL")	2,032,197,897	16.02	-	-	16.02
GOLDEN MOMENT LIMITED ("Golden Moment")	3,070,000,000	24.21	-	-	24.21
FLAMBO INTERNATIONAL LIMITED ("Flambo")(2)	260,000,000	2.05	6,152,197,897	48.51	50.56
THE WIDJAJA FAMILY MASTER TRUST(2) ("WFMT(2)")(3)	-	-	6,412,197,897	50.56	50.56
SILCHESTER INTERNATIONAL INVESTORS LLP ("SII")(4)	-	-	1,389,641,800	10.958	10.958

Notes:
(1) Percentage is calculated based on 12,681,673,056 issued shares (excluding treasury shares and subsidiary holdings) as at 10 March 2023.
(2) The deemed interest of Flambo arises from its interest in 1,050,000,000 shares, 2,032,197,897 shares and 3,070,000,000 shares held by its wholly-owned subsidiaries, Ascent, MIL and Golden Moment respectively in the Company.
(3) The deemed interest of WFMT(2) arises from its interest in 1,050,000,000 shares held by Ascent, 2,032,197,897 shares held by MIL, 3,070,000,000 shares held by Golden Moment and 260,000,000 shares held by Flambo in the Company.
(4) The deemed interest of SII, based on the last notification to the Company on 1 November 2022, arises from its acting as the fully discretionary investment manager for a number of commingled funds.

Based on the information available to the Company as at 10 March 2023, approximately 38.32%(1) of the issued shares of the Company is held by the public and therefore, Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited is complied with.

NOTICE OF ANNUAL MEETING

Golden Agri-Resources Ltd

(Incorporated in the Republic of Mauritius)
(Company No. 17099/2833)

NOTICE IS HEREBY GIVEN that an Annual Meeting ("**Annual Meeting**") of Golden Agri-Resources Ltd (the **"Company"**) will be held by electronic means on **Monday, 24 April 2023 at 2.00 p.m.** (Singapore time) to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the year ended 31 December 2022 together with the Directors' and Auditors' Reports thereon. **(Resolution 1)**

2. To declare a final dividend of S$0.00991 per ordinary share for the year ended 31 December 2022. **(Resolution 2)**

3. To approve Directors' Fees of S$483,749 for the year ended 31 December 2022. (FY2021: S$447,073) **(Resolution 3)**

4. To re-appoint the following Directors:

   (i) Mr. Christian G H Gautier De Charnacé, retiring pursuant to Section 138 of The Companies Act 2001 of Mauritius. **(Resolution 4)**

   (ii) Mr. Khemraj Sharma Sewraz, retiring pursuant to Section 138 of The Companies Act 2001 of Mauritius. **(Resolution 5)**

   (iii) Mr. Willy Shee Ping Yah @ Shee Ping Yan, retiring pursuant to Section 138 of The Companies Act 2001 of Mauritius. **(Resolution 6)**

   {please see note 1}

5. To re-appoint Moore Stephens LLP as Auditors and to authorise the Directors to fix their remuneration. **(Resolution 7)**

AS SPECIAL BUSINESS

6. To consider and, if thought fit, to pass with or without any amendments, the following resolutions as Ordinary Resolutions:

Renewal of Share Issue Mandate

6A. "That pursuant to The Companies Act 2001 of Mauritius and the Listing Rules of the Singapore Exchange Securities Trading Limited, the Directors of the Company be and are hereby authorised to allot and issue (including the allotment and issue of shares and convertible securities pursuant to offers, agreements or options made or granted by the Company while this authority remains in force) or otherwise dispose of shares in the Company (including making and granting offers, agreements and options which would or which might require shares and convertible securities to be allotted, issued or otherwise disposed of) at any time, whether during the continuance of such authority or thereafter, to such persons, upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit without first offering such shares and convertible securities to the members of the Company provided that the aggregate number of shares and convertible securities to be issued pursuant to this Resolution shall not exceed fifty percent (50%) of the issued share capital of the Company (excluding treasury shares and subsidiary holdings) at the date of this Resolution, and provided further that where members of the Company with registered addresses in Singapore are not given an opportunity to participate in the same on a pro–rata basis, then the shares and convertible securities to be issued under such circumstances shall not exceed fifteen percent (15%) of the issued share capital of the Company (excluding treasury shares and subsidiary holdings) at the date of passing of this Resolution."
{please see note 2} **(Resolution 8)**

NOTICE OF ANNUAL MEETING

Golden Agri-Resources Ltd

(Incorporated in the Republic of Mauritius)
(Company No. 17099/2833)

Renewal of Share Purchase Mandate

6B. "(a) That for the purposes of The Companies Act 2001 of Mauritius, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire ordinary shares ("**Shares**") in the issued share capital of the Company not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) market purchases (each a "**Market Purchase**") on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"); and/or

(ii) off-market purchases (each an "**Off-Market Purchase**") effected in accordance with any equal access schemes as may be determined or formulated by the Directors as they consider fit, which schemes shall satisfy all the conditions prescribed by the Companies Act 1967 of Singapore,

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");

(b) That unless varied or revoked by the Company in members meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:

(i) the date on which the next annual meeting of the Company is held or required by law to be held; or

(ii) the date on which the purchases or acquisitions of Shares, pursuant to the Share Purchase Mandate are carried out to the full extent mandated; or

(iii) the date on which the authority in the Share Purchase Mandate is varied or revoked;

(c) That in this Resolution:

"**Prescribed Limit**" means ten percent (10%) of the issued ordinary share capital of the Company (excluding treasury shares and subsidiary holdings) as at the date of the passing of this Resolution; and

"**Maximum Price**" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(i) in the case of a Market Purchase: 105% of the Average Closing Price

(ii) in the case of an Off-Market Purchase: 120% of the Highest Last Dealt Price

where:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five (5) market days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase and deemed to be adjusted for any corporate action that occurs during the relevant 5-day period and the day of the Market Purchase;

"**Highest Last Dealt Price**" means the highest price transacted for a Share as recorded on the market day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

(d) That the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution." *{please see note 3}*

(Resolution 9)

Renewal of Interested Person Transactions Mandate

6C. "(a) That for the purposes of Chapter 9 of the Listing Manual of the SGX-ST, approval be and is hereby given for the Company, its subsidiaries and associated companies that are not listed on the SGX-ST or an approved exchange which fall within the definition of "entities at risk" under Chapter 9 of the Listing Manual, provided that the Company and its subsidiaries (the "**Group**"), or the Group and its interested person(s), has control over the associated companies, or any of them, to enter into any of the transactions falling within the types of Interested Person Transactions, particulars of which are set out in Appendix 2 to this Notice of Annual Meeting *{please see note 4}*, with Interested Persons described in the said Appendix 2, provided that such transactions are made in normal commercial terms and in accordance with the guidelines and review procedures for Interested Person Transactions as set out in the said Appendix 2 (the **"Shareholders' IPT Mandate"**);

(b) That the approval given for the Shareholders' IPT Mandate shall, unless revoked or varied by the Company in members meeting, continue in force until the next annual meeting of the Company or the date by which the next annual meeting of the Company is required by law to be held, whichever is earlier;

(c) That the Audit Committee be and is hereby authorised to take such actions as it deems proper in respect of the guidelines and review procedures and/or modify or implement such guidelines and review procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Listing Manual which may be prescribed by the SGX-ST from time to time; and

(d) That the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the Shareholders' IPT Mandate and/or this Resolution." *{please see note 5}* **(Resolution 10)**

By Order of the Board

Rafael Buhay Concepcion, Jr.
Director
3 April 2023
Singapore

IMPORTANT NOTES:

(i) The Annual Meeting will be held by electronic means. Members **will not** be able to attend the Annual Meeting in person. Alternative arrangements put in place to allow members to participate in the Annual Meeting are set out hereinbelow. This Notice of Annual Meeting can be accessed on the SGXNET website at https://www.sgx.com/securities/company-announcements. Any reference to a time of day is made by reference to Singapore time.

(ii) ***Alternative arrangements for participation in the Annual Meeting***

Members, including CPF and/or SRS investors (as defined below), must pre-register at the pre-registration website at https://conveneagm.sg/GAR2023 ("**Pre-registration Website**") in order to participate at the Annual Meeting by:

(a) watching the Annual Meeting proceedings via "live" audio-visual webcast ("**Live Webcast**") or listening to the Annual Meeting proceedings via "live" audio-only stream ("**Audio Only Stream**"), via mobile phones, tablets or computers;

NOTICE OF ANNUAL MEETING

Golden Agri-Resources Ltd

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(Company No. 17099/2833)

(b) submitting textual questions related to the resolutions, in advance of, or "live" at, the Annual Meeting; and/or

(c) voting at the Annual Meeting (i) "live" by the members themselves or their duly appointed proxy(ies) (other than the Chairman of the Annual Meeting ("**Chairman**")) via electronic means; or (ii) by appointing the Chairman as proxy to vote on their behalf.

(iii) ***Pre-registration***

Members, including CPF and/or SRS investors, may begin to pre-register for the Annual Meeting via the Pre-registration Website **from 3 April 2023 and no later than 2.00 p.m. on Friday, 21 April 2023** ("**Pre-registration Deadline**") to enable the Company to verify their status as members.

Following verification, authenticated members and proxies will receive a confirmation email which will contain instructions to access the Live Webcast and the Audio Only Stream of the Annual Meeting proceedings. Shareholders who do not receive the confirmation email by **2.00 p.m. on Sunday, 23 April 2023**, but have registered by the Pre-registration Deadline, should contact the Company's Share Registrar at main@zicoholdings.com.

Members will be able to observe the Live Webcast or listen to the Audio Only Stream of the Annual Meeting proceedings via mobile phones, tablets or computers.

Investors who hold shares of the Company through a relevant intermediary (as defined in Section 181 of the Companies Act 1967 of Singapore), other than CPF or SRS investors, **will not** be able to pre-register via the Pre-registration Website for the Live Webcast or Audio Only Stream of the Annual Meeting proceedings. Such investors who wish to participate in the Annual Meeting via electronic means should contact their relevant intermediary through which they hold such shares as soon as possible in order for the necessary arrangements to be made for their participation in the Annual Meeting.

(iv) ***Submission of Questions***

A member of the Company who registers for the Live Webcast or listens via the Audio Only Stream may pre-submit questions related to the resolutions to be tabled for approval at the Annual Meeting during pre-registration via the Q&A Link in the Pre-registration Website, or via email to the Company. All questions must be submitted by **11.59 p.m. on Tuesday, 11 April 2023** via the following:

(a) Q&A Link in the Pre-registration Website at https://conveneagm.sg/GAR2023; or

(b) email to: investor@goldenagri.com.sg.

The Company will only address relevant and substantive questions (as may be determined by the Company in its sole discretion) received from members, and publish its response(s), which may be consolidated for similar relevant and substantive questions, on the SGXNET at https://www.sgx.com/securities/company-announcements, latest by **2.00 p.m. on Wednesday, 19 April 2023**. Any relevant and substantive questions received after 11 April 2023 shall be addressed, and may be consolidated for similar questions and addressed, during the Annual Meeting.

Members and, where applicable, appointed proxy(ies), who participate in the Live Webcast or listen via the Audio Only Stream of the Annual Meeting proceedings may ask relevant and substantive questions "live" and online (in real time) during the Annual Meeting, by typing in and submitting their questions using the "Ask a question" function via the online platform hosting the Live Webcast.

The Company will endeavor, during the Annual Meeting, to address as many relevant and substantive questions, as possible, received "live" at the Annual Meeting, and may consolidate similar such questions to address.

(v) ***Submission of Proxy Form***

A member of the Company (whether individual or corporate) who wishes to exercise his/her/its voting rights at the Annual Meeting may appoint a proxy(ies) (other than the Chairman) to vote on his/her/its behalf at the Annual Meeting by completing and submitting to the Company the instrument of proxy ("**Proxy Form**").

A member of the Company (whether individual or corporate) who wishes to appoint the Chairman as his/her/its proxy to vote on his/her/its behalf at the Annual Meeting may submit the Proxy Form in advance of the Annual Meeting.

If no specific direction as to voting is given, the proxy/proxies may vote or abstain from voting at his/her/their discretion.

A proxy need not be a member of the Company.

The Proxy Form, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must:

(a) if sent personally or by post, be deposited with the Company at its correspondence address at 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535; or

(b) if submitted by email, be received by the Company at investor@goldenagri.com.sg

in either case, **by 2.00 p.m. on Friday, 21 April 2023** being not less than seventy-two (72) hours before the time appointed for holding the Annual Meeting (or at any adjournment thereof) and in default the Proxy Form shall not be treated as valid.

The Proxy Form must be under the hand of the appointor or his/her/its attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer, failing which the Proxy Form may be treated as invalid.

Investors holding shares through relevant intermediaries (as defined in Section 181 of the Companies Act 1967 of Singapore) ("**Investors**"), including investors holding through Central Provident Fund ("**CPF**") and Supplementary Retirement Scheme ("**SRS**") ("**CPF/SRS Investors**") should approach their relevant intermediaries (which would include, in the case of CPF and SRS investors, his/her CPF Agent Banks or SRS Operators). An Investor who wishes to vote should approach his/her relevant intermediary as soon as possible to specify his/her voting instructions. A CPF/SRS Investor who wishes to vote should approach his/her CPF Agent Bank or SRS Operator at least seven (7) working days before the date of the Annual Meeting to submit his/her vote.

NOTICE OF ANNUAL MEETING

Golden Agri-Resources Ltd

(Incorporated in the Republic of Mauritius)
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ADDITIONAL NOTES RELATING TO THE NOTICE OF ANNUAL MEETING:

1. Please refer to sections on Board of Directors and Corporate Governance Report in the Annual Report 2022 for further information on each of Mr. Christian G H Gautier De Charnacé ("**Mr. Gautier De Charnacé**"), Mr. Khemraj Sharma Sewraz ("**Mr Sewraz**") and Mr. Willy Shee Ping Yah @ Shee Ping Yan ("**Mr Shee**"). Mr. Gautier De Charnacé, Mr. Sewraz and Mr. Shee are considered to be independent. If re-appointed, Mr. Gautier De Charnacé will remain as chairman of the Audit Committee, and Mr. Shee will remain as a member of the Audit Committee.

2. Resolution 8, if passed, will empower the Directors to issue shares and convertible securities in the capital of the Company not exceeding fifty percent (50%) of the issued capital of the Company (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed. For issue of shares and convertible securities other than on a pro-rata basis to shareholders, the aggregate number of shares and convertible securities to be issued shall not exceed fifteen percent (15%) of the issued capital of the Company (excluding treasury shares and subsidiary holdings).

   The percentage of issued capital is based on the Company's issued capital (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for (a) new shares arising from the conversion or exercise of convertible securities or any share options, or vesting of share awards which were issued and outstanding or subsisting at the time this Resolution is passed and (b) any subsequent bonus issue, consolidation or subdivision of shares.

3. Resolution 9, if passed, is to renew for another year, up to the next annual meeting of the Company, the mandate for share purchase as described in Appendix 1 to this Notice of Annual Meeting, which will, unless previously revoked or varied by the Company at members meeting, expire at the next annual meeting.

4. The mandate for transactions with Interested Persons as described in Appendix 2 to this Notice of Annual Meeting includes the placement of deposits by the Group with financial institutions in which Interested Persons have an interest.

5. Resolution 10, if passed, is to renew for another year, up to the next annual meeting of the Company, the mandate for transactions with Interested Persons as described in Appendix 2 to this Notice of Annual Meeting, which will, unless previously revoked or varied by the Company at members meeting, expire at the next annual meeting.

PERSONAL DATA PRIVACY:

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to vote at the Annual Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Annual Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

GOLDEN AGRI-RESOURCES LTD
(Incorporated in the Republic of Mauritius)

ANNUAL MEETING
PROXY FORM

IMPORTANT:

1. Relevant intermediaries as defined in Section 181 of the Companies Act 1967 of Singapore may appoint more than two proxies to vote at the Annual Meeting.
2. For CPF/SRS investors who have shares in Golden Agri-Resources Ltd, this form of proxy is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS should contact their respective CPF Agent Bank / SRS Operators if they have any queries regarding their appointment as proxies.

I/We, ____ (Name)

____ (NRIC/Passport/Company Registration Number)

of ____ (Address)

being a member/members of Golden Agri-Resources Ltd (the **"Company"**), hereby appoint:

Name	Email Address^	NRIC / Passport Number	Proportion of Shareholdings	
			No. of Shares	%

and/or (delete as appropriate)

or failing him/her/them, the Chairman of the Annual Meeting of the Company (the "**Annual Meeting**" or "**AM**") as my/our proxy/proxies to vote for me/us on my/our behalf at the AM to be held by electronic means on **Monday, 24 April 2023 at 2.00 p.m.** (Singapore time) and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against or abstain from voting in respect of the resolutions as set out in the Notice of AM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies may vote or abstain from voting at his/her/their discretion, as he/she/they may on any other matter arising at the AM.

Note: The Chairman of the AM will be exercising his right under Article 60(a) of the Constitution of the Company to demand a poll in respect of each of the resolutions to be put to the vote of members at the AM and at any adjournment thereof. Accordingly, each resolution at the AM will be voted on by way of poll.

No.	Resolutions	*No. of votes "For"	*No. of votes "Against"	*No. of votes "Abstain"
	ORDINARY BUSINESS			
1	Adoption of Reports and Audited Financial Statements			
2	Declaration of Final Dividend			
3	Approval of Directors' Fees for the year ended 31 December 2022			
4	Re-appointment of Mr. Christian GH Gautier De Charnacé			
5	Re-appointment of Mr. Khemraj Sharma Sewraz			
6	Re-appointment of Mr. Willy Shee Ping Yah @ Shee Ping Yan			
7	Re-appointment of Auditors			
	SPECIAL BUSINESS			
8	Renewal of Share Issue Mandate			
9	Renewal of Share Purchase Mandate			
10	Renewal of Interested Person Transactions Mandate			

^ Compulsory for registration purposes. Only email address provided in the submitted proxy form will receive an email which will contain instructions to access the AM.
* If you wish to exercise all your votes "For" or "Against" or "Abstain" in respect of the relevant resolution, please indicate "X" within the relevant box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the "Abstain" box for a particular resolution, you are directing your proxy not to vote on that resolution.

Dated this _______ day of _________________ 2023.

Total Number of Shares held in:	
(a) CDP Register	
(b) Register of Members	

____
Signature(s) and/or Common Seal of Member(s)

IMPORTANT: PLEASE READ NOTES ON THE REVERSE

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Fold along this line. Glue and seal firmly.

4th fold and glue all sides firmly. Stapling & spot sealing is disallowed.

ANNUAL MEETING PROXY FORM

Affix Stamp Here

The Company Secretary

GOLDEN AGRI-RESOURCES LTD

c/o 108 Pasir Panjang Road

#06-00 Golden Agri Plaza

Singapore 118535

4th fold and glue all sides firmly. Stapling & spot sealing is disallowed.

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1. The Annual Meeting will be held by way of electronic means. A member will not be able to attend the Annual Meeting in person. If a member (whether individual or corporate) wishes to exercise his/her/its voting rights at the Annual Meeting, he/she/it may:
   (a) (where the member is an individual) vote “live” via electronic means at the Annual Meeting, or (where the member is an individual or corporate) appoint a proxy(ies) (other than the Chairman of the Annual Meeting) to vote “live” via electronic means at the Annual Meeting on his/her/its behalf; or
   (b) (where the member is an individual or a corporate) appoint the Chairman of the Annual Meeting as his/her/its proxy to vote on his/her/its behalf at the Annual Meeting.
2. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in the Constitution of the Company), you should insert that number. If you have shares registered in your name in the Register of Members of the Company, you should insert that number. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number. If no number is inserted, the proxy form will be deemed to relate to all the shares held by you.
3. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to vote at the Annual Meeting. Where such member’s form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form.
   (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to vote at the Annual Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member’s form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   “relevant intermediary” has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.
4. The instrument appointing a proxy or proxies must:
   (a) if sent personally or by post, be deposited at correspondence address of the Company at 108 Pasir Panjang Road #06-00, Golden Agri Plaza, Singapore 118535; or
   (b) if submitted by email, be received by the Company at investor@goldenagri.com.sg

   in either case, by **2.00 p.m. on Friday, 21 April 2023** being not less than seventy-two (72) hours before the time appointed for holding the Annual Meeting (or at any adjournment thereof) and in default the proxy form shall not be treated as valid.

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5. Completion and return of this proxy form shall not preclude a member from attending and voting at the Annual Meeting. A member who accesses the “live” webcast of the Annual Meeting proceedings may revoke the appointment of a proxy(ies) at any time before voting commences and in such an event, the Company reserves the right to terminate the proxy(ies)’ access to the Annual Meeting.
6. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding to be represented by each proxy.
7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its officer or attorney duly authorised.
8. Where the instrument appointing a proxy is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
9. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Annual Meeting.
10. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time fixed for holding the Annual Meeting, as certified by The Central Depository (Pte) Limited to the Company.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual Meeting dated 3 April 2023.

CULTIVATING EXCELLENCE EMERGING STRONGER

GOLDEN AGRI-RESOURCES LTD
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Singapore 118535

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