

**GOLDEN AGRI-RESOURCES LTD**
**Third Quarter Financial Statement And Dividend Announcement**
**FINANCIAL HIGHLIGHTS**

|   | <b>Ytd Sept<br/>2017<br/>US\$'000</b> | <b>Ytd Sept<br/>2016<br/>US\$'000</b> | <b>Change<br/>%</b> | <b>3rd Qtr<br/>2017<br/>US\$'000</b> | <b>3rd Qtr<br/>2016<br/>US\$'000</b> | <b>Change<br/>%</b> |
|---|---------------------------------------|---------------------------------------|---------------------|--------------------------------------|--------------------------------------|---------------------|
| Revenue   | 5,584,499                             | 5,070,979                             | 10.1                | 1,781,539                            | 1,835,602                            | (2.9)               |
| Gross Profit  | 836,066                               | 706,633                               | 18.3                | 289,533                              | 281,006                              | 3.0                 |
| EBITDA <sup>1</sup>                                 | 508,277                               | 392,980                               | 29.3                | 180,009                              | 165,216                              | 9.0                 |
| Underlying profit <sup>2</sup>                      | 216,531                               | 120,081                               | 80.3                | 79,477                               | 77,188                               | 3.0                 |
| Underlying profit per<br>share (USD cents)          | 1.70                                  | 0.94                                  | 80.3                | 0.62                                 | 0.61                                 | 3.0                 |
| Net Profit attributable to<br>owners of the Company | 103,107                               | 353,338                               | (70.8)              | 43,680                               | 219,725                              | (80.1)              |

## Notes:

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

**PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**

**1(a) An income statement and statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year**

**UNAUDITED CONSOLIDATED INCOME STATEMENT  
FOR THE PERIOD ENDED 30 SEPTEMBER 2017**

|  | Ytd Sept<br>2017<br><u>US\$'000</u> | Ytd Sept<br>2016<br><u>US\$'000</u> | Change<br>% | 3rd Qtr<br>2017<br><u>US\$'000</u> | 3rd Qtr<br>2016<br><u>US\$'000</u> | Change<br>% |
|--|-------------------------------------|-------------------------------------|-------------|------------------------------------|------------------------------------|-------------|
| <b>Revenue</b>                                       | 5,584,499                           | 5,070,979                           | 10.1        | 1,781,539                          | 1,835,602                          | (2.9)       |
| Cost of sales  | <u>(4,748,433)</u>                  | <u>(4,364,346)</u>                  | 8.8         | <u>(1,492,006)</u>                 | <u>(1,554,596)</u>                 | (4.0)       |
| <b>Gross profit</b>                                  | <u>836,066</u>                      | <u>706,633</u>                      | 18.3        | <u>289,533</u>                     | <u>281,006</u>                     | 3.0         |
| <b>Operating expenses</b>                            |                                     |                                     |             |                                    |                                    |             |
| Selling expenses                                     | (409,486)                           | (380,661)                           | 7.6         | (135,243)                          | (122,746)                          | 10.2        |
| General and administrative expenses                  | <u>(232,818)</u>                    | <u>(227,498)</u>                    | 2.3         | <u>(80,743)</u>                    | <u>(79,207)</u>                    | 1.9         |
| Total operating expenses                             | <u>(642,304)</u>                    | <u>(608,159)</u>                    | 5.6         | <u>(215,986)</u>                   | <u>(201,953)</u>                   | 6.9         |
| <b>Operating profit</b>                              | <u>193,762</u>                      | <u>98,474</u>                       | 96.8        | <u>73,547</u>                      | <u>79,053</u>                      | (7.0)       |
| <b>Other income/(expenses)</b>                       |                                     |                                     |             |                                    |                                    |             |
| Financial income                                     | 23,514                              | 18,362                              | 28.1        | 9,238                              | 6,104                              | 51.3        |
| Financial expenses                                   | (102,812)                           | (96,351)                            | 6.7         | (31,521)                           | (31,903)                           | (1.2)       |
| Share of results of associated companies, net of tax | 1,485                               | 1,061                               | 40.0        | 454                                | 1,222                              | (62.8)      |
| Share of results of joint ventures, net of tax       | 1,957                               | 6,460                               | (69.7)      | (882)                              | 1,094                              | n.m.        |
| Foreign exchange (loss)/gain                         | (3,725)                             | 50,473                              | n.m.        | (7,430)                            | 19,833                             | n.m.        |
| Other operating income                               | <u>32,392</u>                       | <u>64,205</u>                       | (49.5)      | <u>20,512</u>                      | <u>40,950</u>                      | (49.9)      |
|  | <u>(47,189)</u>                     | <u>44,210</u>                       | n.m.        | <u>(9,629)</u>                     | <u>37,300</u>                      | n.m.        |
| <b>Profit before tax</b>                             | 146,573                             | 142,684                             | 2.7         | 63,918                             | 116,353                            | (45.1)      |
| Tax  | <u>(41,149)</u>                     | <u>215,116</u>                      | n.m.        | <u>(19,028)</u>                    | <u>104,272</u>                     | n.m.        |
| <b>Profit for the period</b>                         | <u>105,424</u>                      | <u>357,800</u>                      | (70.5)      | <u>44,890</u>                      | <u>220,625</u>                     | (79.7)      |
| <b>Attributable to:</b>                              |                                     |                                     |             |                                    |                                    |             |
| Owners of the Company                                | 103,107                             | 353,338                             | (70.8)      | 43,680                             | 219,725                            | (80.1)      |
| Non-controlling interests                            | <u>2,317</u>                        | <u>4,462</u>                        | (48.1)      | <u>1,210</u>                       | <u>900</u>                         | 34.4        |
|  | <u>105,424</u>                      | <u>357,800</u>                      | (70.5)      | <u>44,890</u>                      | <u>220,625</u>                     | (79.7)      |

Note:

(1) n.m. – not meaningful.

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 30 SEPTEMBER 2017**

|  | Ytd Sept<br>2017<br><u>US\$'000</u> | Ytd Sept<br>2016<br><u>US\$'000</u> | 3rd Qtr<br>2017<br><u>US\$'000</u> | 3rd Qtr<br>2016<br><u>US\$'000</u> |
|--|-------------------------------------|-------------------------------------|------------------------------------|------------------------------------|
| <b>Profit for the period</b>   | 105,424                             | 357,800                             | 44,890                             | 220,625                            |
| <b>Other comprehensive income/(loss):</b>                                  |                                     |                                     |                                    |                                    |
| <u>Items that may be reclassified subsequently to profit or loss:</u>      |                                     |                                     |                                    |                                    |
| Foreign currency translation differences on consolidation                  | 11,652                              | (2,229)                             | 4,712                              | (279)                              |
| Share of other comprehensive income/(loss) of a joint venture              | 61                                  | 1,579                               | (396)                              | 369                                |
| Changes in fair value of cash flow hedges                                  | (146)                               | 1,493                               | -                                  | 123                                |
| Changes in fair value of cash flow hedges transferred to income statement  | (222)                               | -                                   | -                                  | -                                  |
| Changes in fair value of available-for-sale financial assets               | (7,510)                             | 1,787                               | 662                                | 1,368                              |
|  | <u>3,835</u>                        | <u>2,630</u>                        | <u>4,978</u>                       | <u>1,581</u>                       |
| <u>Items that will not be reclassified subsequently to profit or loss:</u> |                                     |                                     |                                    |                                    |
| Actuarial loss on post-employment benefits                                 | (8,732)                             | (13,714)                            | (1,113)                            | (3,156)                            |
| <b>Other comprehensive (loss)/income, net of tax</b>                       | <u>(4,897)</u>                      | <u>(11,084)</u>                     | <u>3,865</u>                       | <u>(1,575)</u>                     |
| <b>Total comprehensive income for the period, net of tax</b>               | <u>100,527</u>                      | <u>346,716</u>                      | <u>48,755</u>                      | <u>219,050</u>                     |
| <b>Total comprehensive income attributable to:</b>                         |                                     |                                     |                                    |                                    |
| Owners of the Company  | 98,021                              | 342,661                             | 47,441                             | 218,216                            |
| Non-controlling interests  | 2,506                               | 4,055                               | 1,314                              | 834                                |
|  | <u>100,527</u>                      | <u>346,716</u>                      | <u>48,755</u>                      | <u>219,050</u>                     |

**ADDITIONAL INFORMATION**

**Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, net gain from changes in fair value of biological assets and foreign exchange (loss)/gain ("EBITDA")**

|  | Ytd Sept<br>2017<br><u>US\$'000</u> | Ytd Sept<br>2016<br><u>US\$'000</u> | Change<br>% | 3rd Qtr<br>2017<br><u>US\$'000</u> | 3rd Qtr<br>2016<br><u>US\$'000</u> | Change<br>% |
|--|-------------------------------------|-------------------------------------|-------------|------------------------------------|------------------------------------|-------------|
| <b>Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, net gain from changes in fair value of biological assets and foreign exchange (loss)/gain ("EBITDA")</b> | 508,277                             | 392,980                             | 29.3        | 180,009                            | 165,216                            | 9.0         |
| Interest on borrowings   | (101,695)                           | (95,127)                            | 6.9         | (31,106)                           | (32,191)                           | (3.4)       |
| Depreciation and amortisation  | (262,084)                           | (256,113)                           | 2.3         | (83,225)                           | (81,827)                           | 1.7         |
| Net gain from changes in fair value of biological assets   | 5,800                               | 50,471                              | (88.5)      | 5,670                              | 45,322                             | (87.5)      |
| Foreign exchange (loss)/gain   | (3,725)                             | 50,473                              | n.m.        | (7,430)                            | 19,833                             | n.m.        |
| <b>Profit before tax</b>   | <u>146,573</u>                      | <u>142,684</u>                      | 2.7         | <u>63,918</u>                      | <u>116,353</u>                     | (45.1)      |

Note:

(1) n.m. – not meaningful.

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year**

|  | <u>Group</u>                            |  | <u>Company</u>                          |  |
|--|---|--|---|--|
|  | <u>As at<br/>30/9/2017<br/>US\$'000</u> | <u>As at<br/>31/12/2016<br/>US\$'000</u> | <u>As at<br/>30/9/2017<br/>US\$'000</u> | <u>As at<br/>31/12/2016<br/>US\$'000</u> |
| <b>Assets</b>                                  |   |  |   |  |
| Current Assets                                 |   |  |   |  |
| Cash and cash equivalents                      | 142,932                                 | 153,007                                  | 82                                      | 77                                       |
| Short-term investments                         | 205,591                                 | 201,972                                  | -                                       | -  |
| Trade receivables                              | 456,820                                 | 561,411                                  | -                                       | -  |
| Other current assets (note (a))                | 1,055,830                               | 892,529                                  | 468                                     | 19                                       |
| Inventories                                    | 1,117,242                               | 967,138                                  | -                                       | -  |
|  | <u>2,978,415</u>                        | <u>2,776,057</u>                         | <u>550</u>                              | <u>96</u>                                |
| Non-Current Assets                             |   |  |   |  |
| Long-term receivables and assets<br>(note (b)) | 217,843                                 | 253,008                                  | -                                       | -  |
| Long-term investments                          | 894,939                                 | 847,370                                  | 335,955                                 | 333,300                                  |
| Subsidiary companies                           | -                                       | -  | 1,979,495                               | 2,040,149                                |
| Associated companies                           | 11,641                                  | 10,158                                   | -                                       | -  |
| Joint ventures                                 | 70,935                                  | 62,112                                   | -                                       | -  |
| Investment properties                          | 988                                     | 986                                      | -                                       | -  |
| Property, plant and equipment                  | 2,686,540                               | 2,788,483                                | -                                       | -  |
| Bearer plants                                  | 1,006,718                               | 1,101,374                                | -                                       | -  |
| Deferred tax assets                            | 286,430                                 | 301,860                                  | -                                       | -  |
| Intangible assets                              | 169,907                                 | 165,007                                  | -                                       | -  |
|  | <u>5,345,941</u>                        | <u>5,530,358</u>                         | <u>2,315,450</u>                        | <u>2,373,449</u>                         |
| <b>Total Assets</b>                            | <u><b>8,324,356</b></u>                 | <u><b>8,306,415</b></u>                  | <u><b>2,316,000</b></u>                 | <u><b>2,373,545</b></u>                  |

**UNAUDITED STATEMENTS OF FINANCIAL POSITION (cont'd)**

|  | Group                                 |  | Company                               |  |
|--|---------------------------------------|--|---------------------------------------|--|
|  | As at<br>30/9/2017<br><u>US\$'000</u> | As at<br>31/12/2016<br><u>US\$'000</u> | As at<br>30/9/2017<br><u>US\$'000</u> | As at<br>31/12/2016<br><u>US\$'000</u> |
| <b>Liabilities and Equity</b>                |                                       |  |                                       |  |
| Current Liabilities                          |                                       |  |                                       |  |
| Short-term loans                             | 1,293,052                             | 1,112,377                              | -                                     | -                                      |
| Bonds and notes payable                      | 795,430                               | 661,379                                | -                                     | -                                      |
| Trade payables                               | 520,432                               | 575,940                                | -                                     | -                                      |
| Other payables (note (c))                    | 268,755                               | 348,945                                | 30,919                                | 30,594                                 |
| Taxes payable                                | 21,652                                | 16,375                                 | -                                     | -                                      |
| Obligations under finance lease              | -                                     | 84                                     | -                                     | -                                      |
|  | 2,899,321                             | 2,715,100                              | 30,919                                | 30,594                                 |
| Non-Current Liabilities                      |                                       |  |                                       |  |
| Bonds and notes payable                      | 125,134                               | 420,158                                | -                                     | -                                      |
| Long-term borrowings                         | 909,880                               | 872,373                                | -                                     | -                                      |
| Deferred tax liabilities                     | 102,126                               | 117,627                                | -                                     | -                                      |
| Long-term payables and liabilities           | 106,224                               | 85,206                                 | -                                     | -                                      |
|  | 1,243,364                             | 1,495,364                              | -                                     | -                                      |
| <b>Total Liabilities</b>                     | 4,142,685                             | 4,210,464                              | 30,919                                | 30,594                                 |
| Equity Attributable to Owners of the Company |                                       |  |                                       |  |
| Issued capital                               | 320,939                               | 320,939                                | 320,939                               | 320,939                                |
| Share premium                                | 1,216,095                             | 1,216,095                              | 1,850,965                             | 1,850,965                              |
| Treasury shares                              | (31,726)                              | (31,726)                               | (31,726)                              | (31,726)                               |
| Other paid-in capital                        | 184,318                               | 184,318                                | -                                     | -                                      |
| Other reserves                               |                                       |  |                                       |  |
| Option reserve                               | 31,471                                | 31,471                                 | 31,471                                | 31,471                                 |
| Currency translation reserve                 | (1,518)                               | (12,909)                               | -                                     | -                                      |
| Fair value reserve                           | (2,691)                               | 4,819                                  | -                                     | -                                      |
| PRC statutory reserve                        | 3,820                                 | 3,820                                  | -                                     | -                                      |
| Hedging reserve                              | -                                     | 368                                    | -                                     | -                                      |
| Other reserve                                | 8,294                                 | 27,656                                 | -                                     | -                                      |
|  | 39,376                                | 55,225                                 | 31,471                                | 31,471                                 |
| Retained earnings                            | 2,354,590                             | 2,308,899                              | 113,432                               | 171,302                                |
|  | 4,083,592                             | 4,053,750                              | 2,285,081                             | 2,342,951                              |
| Non-controlling Interests                    | 98,079                                | 42,201                                 | -                                     | -                                      |
| <b>Total Equity</b>                          | 4,181,671                             | 4,095,951                              | 2,285,081                             | 2,342,951                              |
| <b>Total Liabilities and Equity</b>          | 8,324,356                             | 8,306,415                              | 2,316,000                             | 2,373,545                              |

**UNAUDITED STATEMENTS OF FINANCIAL POSITION (cont'd)**

**Note:**

**(a) Other Current Assets**

|                                    | <b>Group</b>           |                        | <b>Company</b>         |                        |
|------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                    | <b>As at</b>           | <b>As at</b>           | <b>As at</b>           | <b>As at</b>           |
|                                    | <b>30/9/2017</b>       | <b>31/12/2016</b>      | <b>30/9/2017</b>       | <b>31/12/2016</b>      |
|                                    | <b><u>US\$'000</u></b> | <b><u>US\$'000</u></b> | <b><u>US\$'000</u></b> | <b><u>US\$'000</u></b> |
| Prepaid expenses                   | 42,752                 | 22,485                 | 46                     | 18                     |
| Prepaid taxes, net                 | 170,431                | 211,711                | 421                    | -                      |
| Deposits and advances to suppliers | 309,233                | 269,567                | -                      | -                      |
| Biological assets                  | 90,966                 | 85,166                 | -                      | -                      |
| Derivative receivable              | -                      | 17,264                 | -                      | -                      |
| Others                             | 149,763                | 88,022                 | 1                      | 1                      |
|                                    | <u>763,145</u>         | <u>694,215</u>         | <u>468</u>             | <u>19</u>              |
| Receivable from joint ventures     | 236,977                | 198,272                | -                      | -                      |
| Receivable from related parties    | 55,708                 | 42                     | -                      | -                      |
|                                    | <u>1,055,830</u>       | <u>892,529</u>         | <u>468</u>             | <u>19</u>              |

**(b) Long-Term Receivables and Assets**

|   | <b>Group</b>           |                        | <b>Company</b>         |                        |
|---|------------------------|------------------------|------------------------|------------------------|
|   | <b>As at</b>           | <b>As at</b>           | <b>As at</b>           | <b>As at</b>           |
|   | <b>30/9/2017</b>       | <b>31/12/2016</b>      | <b>30/9/2017</b>       | <b>31/12/2016</b>      |
|   | <b><u>US\$'000</u></b> | <b><u>US\$'000</u></b> | <b><u>US\$'000</u></b> | <b><u>US\$'000</u></b> |
| Loan receivable from joint ventures     | 24,394                 | 21,000                 | -                      | -                      |
| Tax recoverable                         | 142,558                | 163,472                | -                      | -                      |
| Advances for project plasma plantations | 4,725                  | 18,992                 | -                      | -                      |
| Advances for projects                   | 16,900                 | 21,802                 | -                      | -                      |
| Land clearing                           | 1,911                  | 1,968                  | -                      | -                      |
| Advances for investments in land        | 1,495                  | 2,759                  | -                      | -                      |
| Others                                  | 25,860                 | 23,015                 | -                      | -                      |
|   | <u>217,843</u>         | <u>253,008</u>         | <u>-</u>               | <u>-</u>               |

**(c) Other Payables**

|                            | <b>Group</b>           |                        | <b>Company</b>         |                        |
|----------------------------|------------------------|------------------------|------------------------|------------------------|
|                            | <b>As at</b>           | <b>As at</b>           | <b>As at</b>           | <b>As at</b>           |
|                            | <b>30/9/2017</b>       | <b>31/12/2016</b>      | <b>30/9/2017</b>       | <b>31/12/2016</b>      |
|                            | <b><u>US\$'000</u></b> | <b><u>US\$'000</u></b> | <b><u>US\$'000</u></b> | <b><u>US\$'000</u></b> |
| Advances and deposits      | 55,371                 | 87,577                 | -                      | -                      |
| Accrued expenses           | 66,312                 | 55,381                 | 285                    | 280                    |
| Payable to third parties   | 119,941                | 176,053                | -                      | -                      |
| Others                     | 21,653                 | 25,256                 | 6                      | 5                      |
|                            | <u>263,277</u>         | <u>344,267</u>         | <u>291</u>             | <u>285</u>             |
| Payable to related parties | 5,478                  | 4,678                  | 30,628                 | 30,309                 |
|                            | <u>268,755</u>         | <u>348,945</u>         | <u>30,919</u>          | <u>30,594</u>          |

## 1(b)(ii) Aggregate amount of group's borrowings and debt securities

|  | As at 30/9/2017<br>US\$'000 |                  |                  | As at 31/12/2016<br>US\$'000 |                  |                  |
|--|-----------------------------|------------------|------------------|------------------------------|------------------|------------------|
|  | Secured                     | Unsecured        | Total            | Secured                      | Unsecured        | Total            |
| Amount repayable in one year or less, or on demand | 752,913                     | 1,335,569        | 2,088,482        | 716,429                      | 1,057,411        | 1,773,840        |
| Amount repayable after one year                    | 864,079                     | 170,935          | 1,035,014        | 872,373                      | 420,158          | 1,292,531        |
| <b>Total</b>                                       | <b>1,616,992</b>            | <b>1,506,504</b> | <b>3,123,496</b> | <b>1,588,802</b>             | <b>1,477,569</b> | <b>3,066,371</b> |

### Details of any collateral

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

## 1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

### UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2017

|  | Ytd Sept<br>2017<br>US\$'000 | Ytd Sept<br>2016<br>US\$'000 | 3rd Qtr<br>2017<br>US\$'000 | 3rd Qtr<br>2016<br>US\$'000 |
|--|------------------------------|------------------------------|-----------------------------|-----------------------------|
| <b>Cash flows from operating activities</b>                                    |                              |                              |                             |                             |
| <b>Profit before tax</b>   | <b>146,573</b>               | <b>142,684</b>               | <b>63,918</b>               | <b>116,353</b>              |
| Adjustments for:   |                              |                              |                             |                             |
| Depreciation   | 260,220                      | 254,565                      | 82,584                      | 81,200                      |
| Amortisation   | 1,864                        | 1,548                        | 641                         | 627                         |
| Net gain from changes in fair value of biological assets                       | (5,800)                      | (50,471)                     | (5,670)                     | (45,322)                    |
| Unrealised foreign exchange loss/(gain)  | 7,769                        | (23,149)                     | 14,556                      | (10,919)                    |
| Share of results of associated companies, net of tax                           | (1,485)                      | (1,061)                      | (454)                       | (1,222)                     |
| Share of results of joint ventures, net of tax                                 | (1,957)                      | (6,460)                      | 882                         | (1,094)                     |
| Gain on disposal of property, plant and equipment                              | (8,905)                      | (594)                        | (8,905)                     | (370)                       |
| Property, plant and equipment written off                                      | 359                          | 833                          | 73                          | 238                         |
| Bearer plants written off  | 411                          | 355                          | -                           | 18                          |
| (Write-back of)/Allowance for impairment loss on:                              |                              |                              |                             |                             |
| Inventories, net   | (84)                         | 61                           | (3,696)                     | (111)                       |
| Trade receivables, net   | (115)                        | (71)                         | 220                         | (92)                        |
| Other receivables, net   | -                            | (60)                         | -                           | (60)                        |
| Changes in fair value of financial assets at fair value through profit or loss | 2,765                        | (1,516)                      | 1,769                       | 3,696                       |
| Gain on disposal of a subsidiary   | -                            | (97)                         | -                           | (97)                        |
| Loss on disposal of a joint venture  | 1,309                        | -                            | -                           | -                           |
| Interest income  | (23,514)                     | (18,362)                     | (9,238)                     | (6,104)                     |
| Interest expense   | 101,695                      | 95,127                       | 31,106                      | 32,191                      |
| <b>Operating cash flow before working capital changes</b>                      | <b>481,105</b>               | <b>393,332</b>               | <b>167,786</b>              | <b>168,932</b>              |
| Changes in operating assets and liabilities:                                   |                              |                              |                             |                             |
| Trade receivables  | 104,632                      | 13,237                       | (19,917)                    | 27,938                      |
| Other current assets   | (104,444)                    | (167,209)                    | (53,617)                    | 6,311                       |
| Inventories  | (150,046)                    | (209,368)                    | (127,917)                   | (61,137)                    |
| Trade payables   | (55,508)                     | 9,188                        | 36,509                      | 64,167                      |
| Other payables   | (2,056)                      | 136,189                      | (60,096)                    | 102,335                     |
| <b>Cash generated from/(used in) operations</b>                                | <b>273,683</b>               | <b>175,369</b>               | <b>(57,252)</b>             | <b>308,546</b>              |
| Interest received  | 13,880                       | 13,600                       | 7,487                       | 6,516                       |
| Interest paid  | (95,342)                     | (87,019)                     | (28,316)                    | (28,929)                    |
| Tax refund/(paid)  | 27,197                       | 49,297                       | (20,166)                    | (9,585)                     |
| <b>Net cash generated from/(used in) operating activities</b>                  | <b>219,418</b>               | <b>151,247</b>               | <b>(98,247)</b>             | <b>276,548</b>              |

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2017 (cont'd)**

|   | <b>Ytd Sept<br/>2017<br/>US\$'000</b> | <b>Ytd Sept<br/>2016<br/>US\$'000</b> | <b>3rd Qtr<br/>2017<br/>US\$'000</b> | <b>3rd Qtr<br/>2016<br/>US\$'000</b> |
|---|---------------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|
| <b>Cash flows from investing activities</b>                                   |                                       |                                       |                                      |                                      |
| Proceeds from disposal of property, plant and equipment                       | 8,324                                 | 5,541                                 | 2,389                                | 1,233                                |
| Proceeds from disposal of bearer plants                                       | 863                                   | 245                                   | 194                                  | 57                                   |
| Net cash outflow from disposal of a subsidiary                                | -                                     | (8)                                   | -                                    | (8)                                  |
| Proceeds from disposal of a joint venture                                     | 1,076                                 | -                                     | -                                    | -                                    |
| Capital expenditure on property, plant and equipment                          | (125,357)                             | (158,936)                             | (53,249)                             | (60,614)                             |
| Capital expenditure on bearer plants  | (21,854)                              | (6,613)                               | (4,564)                              | (2,313)                              |
| Investments in financial assets, net  | (70,012)                              | (15,127)                              | (62,106)                             | (37,141)                             |
| Additional investment in a joint venture                                      | -                                     | (1,500)                               | -                                    | (500)                                |
| Cash inflow from non-controlling interest for incorporation of subsidiaries   | 23                                    | 31                                    | -                                    | 31                                   |
| (Investments in)/Proceeds from Plasma/KKPA Program plantations, net           | (1,133)                               | (4,989)                               | 80                                   | (4,357)                              |
| Dividends received from a joint venture                                       | 785                                   | 2,750                                 | -                                    | 500                                  |
| Payments for intangible assets  | (6,493)                               | (6,936)                               | (4,286)                              | (4,782)                              |
| Net decrease in long-term receivables and assets                              | 15,166                                | 17,262                                | 17,706                               | 18,846                               |
| <b>Net cash used in investing activities</b>                                  | <b>(198,612)</b>                      | <b>(168,280)</b>                      | <b>(103,836)</b>                     | <b>(89,048)</b>                      |
| <b>Cash flows from financing activities</b>                                   |                                       |                                       |                                      |                                      |
| Proceeds from short-term borrowings   | 1,835,708                             | 1,721,351                             | 650,215                              | 459,688                              |
| Proceeds from long-term borrowings  | 270,000                               | 360,348                               | 34                                   | 15,000                               |
| Payments of dividends   | (57,416)                              | (47,462)                              | -                                    | -                                    |
| Payments of short-term borrowings   | (1,805,622)                           | (1,873,455)                           | (490,162)                            | (625,010)                            |
| Payments of long-term borrowings  | (84,666)                              | (176,149)                             | (9,472)                              | (68,644)                             |
| Payments of obligations under finance lease                                   | (84)                                  | (92)                                  | (16)                                 | (34)                                 |
| Payments of bonds and notes payable   | (183,238)                             | (81,378)                              | -                                    | (733)                                |
| Payments of deferred loan charges and bank loan administration costs          | (5,563)                               | (6,817)                               | (2,609)                              | (2,691)                              |
| Decrease/(Increase) in cash in banks and time deposits pledged                | 4,192                                 | (3,483)                               | (10,199)                             | 25,136                               |
| <b>Net cash (used in)/generated from financing activities</b>                 | <b>(26,689)</b>                       | <b>(107,137)</b>                      | <b>137,791</b>                       | <b>(197,288)</b>                     |
| <b>Net decrease in cash and cash equivalents</b>                              | <b>(5,883)</b>                        | <b>(124,170)</b>                      | <b>(64,292)</b>                      | <b>(9,788)</b>                       |
| <b>Cash and cash equivalents at the beginning of the period</b>               | <b>122,690</b>                        | <b>226,888</b>                        | <b>181,099</b>                       | <b>112,506</b>                       |
| <b>Cash and cash equivalents at the end of the period</b><br>(See Note below) | <b>116,807</b>                        | <b>102,718</b>                        | <b>116,807</b>                       | <b>102,718</b>                       |

**Note:**

Cash and cash equivalents included in consolidated statement of cash flows consist of the following:

|   | <b>30/9/2017<br/>US\$'000</b> | <b>30/9/2016<br/>US\$'000</b> |
|---|-------------------------------|-------------------------------|
| Time deposits, cash and bank balances         | 142,932                       | 122,929                       |
| Less: Cash in banks and time deposits pledged | (26,125)                      | (20,211)                      |
|   | <u>116,807</u>                | <u>102,718</u>                |



**1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

| <b>The Group</b>   | ←----- Attributable to Owners of the Company -----> |               |                 |                       |                |                   |           | Non-Controlling Interests | Total Equity |
|--|---|---------------|-----------------|-----------------------|----------------|-------------------|-----------|---------------------------|--------------|
|  | Issued Capital                                      | Share Premium | Treasury Shares | Other Paid-in Capital | Other Reserves | Retained Earnings | Total     |                           |              |
|  | US\$'000  | US\$'000      | US\$'000        | US\$'000              | US\$'000       | US\$'000          | US\$'000  |                           |              |
| Balance at 1 Jan 2017                                      | 320,939   | 1,216,095     | (31,726)        | 184,318               | 55,225         | 2,308,899         | 4,053,750 | 42,201                    | 4,095,951    |
| Profit for the period                                      | -   | -             | -               | -                     | -              | 59,427            | 59,427    | 1,107                     | 60,534       |
| Other comprehensive (loss)/income                          | -   | -             | -               | -                     | (8,847)        | -                 | (8,847)   | 85                        | (8,762)      |
| Total comprehensive (loss)/income for the period           | -   | -             | -               | -                     | (8,847)        | 59,427            | 50,580    | 1,192                     | 51,772       |
| Dividends paid for 2016                                    | -   | -             | -               | -                     | -              | (57,416)          | (57,416)  | -                         | (57,416)     |
| Change in interest in a subsidiary                         | -   | -             | -               | -                     | (10,763)       | -                 | (10,763)  | 53,349                    | 42,586       |
| Non-controlling interest for incorporation of subsidiaries | -   | -             | -               | -                     | -              | -                 | -         | 23                        | 23           |
| Balance at 30 Jun 2017                                     | 320,939   | 1,216,095     | (31,726)        | 184,318               | 35,615         | 2,310,910         | 4,036,151 | 96,765                    | 4,132,916    |
| Profit for the period                                      | -   | -             | -               | -                     | -              | 43,680            | 43,680    | 1,210                     | 44,890       |
| Other comprehensive income                                 | -   | -             | -               | -                     | 3,761          | -                 | 3,761     | 104                       | 3,865        |
| Total comprehensive income for the period                  | -   | -             | -               | -                     | 3,761          | 43,680            | 47,441    | 1,314                     | 48,755       |
| Balance at 30 Sep 2017                                     | 320,939   | 1,216,095     | (31,726)        | 184,318               | 39,376         | 2,354,590         | 4,083,592 | 98,079                    | 4,181,671    |

**1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

| <b>The Group</b>   | ←----- Attributable to Owners of the Company -----> |               |                 |                       |                |                   |           | Non-Controlling Interests | Total Equity |
|--|---|---------------|-----------------|-----------------------|----------------|-------------------|-----------|---------------------------|--------------|
|  | Issued Capital                                      | Share Premium | Treasury Shares | Other Paid-in Capital | Other Reserves | Retained Earnings | Total     |                           |              |
|  | US\$'000  | US\$'000      | US\$'000        | US\$'000              | US\$'000       | US\$'000          | US\$'000  |                           |              |
| Balance at 1 Jan 2016  | 320,939   | 1,216,095     | (31,726)        | 184,318               | 63,486         | 1,956,742         | 3,709,854 | 39,544                    | 3,749,398    |
| Profit for the period  | -   | -             | -               | -                     | -              | 133,613           | 133,613   | 3,562                     | 137,175      |
| Other comprehensive loss                                     | -   | -             | -               | -                     | (9,168)        | -                 | (9,168)   | (341)                     | (9,509)      |
| Total comprehensive (loss)/income for the period             | -   | -             | -               | -                     | (9,168)        | 133,613           | 124,445   | 3,221                     | 127,666      |
| Dividends paid for 2015                                      | -   | -             | -               | -                     | -              | (47,462)          | (47,462)  | -                         | (47,462)     |
| Balance at 30 Jun 2016                                       | 320,939   | 1,216,095     | (31,726)        | 184,318               | 54,318         | 2,042,893         | 3,786,837 | 42,765                    | 3,829,602    |
| Profit for the period  | -   | -             | -               | -                     | -              | 219,725           | 219,725   | 900                       | 220,625      |
| Other comprehensive loss                                     | -   | -             | -               | -                     | (1,509)        | -                 | (1,509)   | (66)                      | (1,575)      |
| Total comprehensive (loss)/income for the period             | -   | -             | -               | -                     | (1,509)        | 219,725           | 218,216   | 834                       | 219,050      |
| Non-controlling interests of newly incorporated subsidiaries | -   | -             | -               | -                     | -              | -                 | -         | 31                        | 31           |
| Balance at 30 Sep 2016                                       | 320,939   | 1,216,095     | (31,726)        | 184,318               | 52,809         | 2,262,618         | 4,005,053 | 43,630                    | 4,048,683    |

**1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

| <b><u>The Company</u></b>  | Issued<br>Capital<br>US\$'000 | Share<br>Premium<br>US\$'000 | Treasury<br>Shares<br>US\$'000 | Option<br>Reserve<br>US\$'000 | Retained<br>Earnings<br>US\$'000 | Total<br>US\$'000 |
|--|-------------------------------|------------------------------|--------------------------------|-------------------------------|----------------------------------|-------------------|
| Balance as at 1 Jan 2017   | 320,939                       | 1,850,965                    | (31,726)                       | 31,471                        | 171,302                          | 2,342,951         |
| Loss for the period,<br>representing total<br>comprehensive loss for the<br>period     | -                             | -                            | -                              | -                             | (169)                            | (169)             |
| Dividends paid for 2016  | -                             | -                            | -                              | -                             | (57,416)                         | (57,416)          |
| Balance as at 30 Jun 2017  | 320,939                       | 1,850,965                    | (31,726)                       | 31,471                        | 113,717                          | 2,285,366         |
| Loss for the period,<br>representing total<br>comprehensive loss for the<br>period     | -                             | -                            | -                              | -                             | (285)                            | (285)             |
| Balance as at 30 Sep 2017  | 320,939                       | 1,850,965                    | (31,726)                       | 31,471                        | 113,432                          | 2,285,081         |
| Balance as at 1 Jan 2016   | 320,939                       | 1,850,965                    | (31,726)                       | 31,471                        | 218,159                          | 2,389,808         |
| Profit for the period,<br>representing total<br>comprehensive income<br>for the period | -                             | -                            | -                              | -                             | 781                              | 781               |
| Dividends paid for 2015  | -                             | -                            | -                              | -                             | (47,462)                         | (47,462)          |
| Balance as at 30 Jun 2016  | 320,939                       | 1,850,965                    | (31,726)                       | 31,471                        | 171,478                          | 2,343,127         |
| Loss for the period,<br>representing total<br>comprehensive loss for the<br>period     | -                             | -                            | -                              | -                             | (191)                            | (191)             |
| Balance as at 30 Sep 2016  | 320,939                       | 1,850,965                    | (31,726)                       | 31,471                        | 171,287                          | 2,342,936         |

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

Details of the Company's issued and paid-up capital were as follows:

|   | <b>As at</b>       |                    |
|---|--------------------|--------------------|
|   | <b>30 Sep 2017</b> | <b>30 Sep 2016</b> |
| Number of treasury shares                           | 102,792,400        | 102,792,400        |
| Number of issued shares (excluding treasury shares) | 12,734,756,156     | 12,734,756,156     |

There were no movements in the Company's issued share capital (excluding treasury shares) since 31 December 2016.

**1(d)(iii) To show the number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares excluding treasury shares as at 30 September 2017 and 31 December 2016 respectively was 12,734,756,156 ordinary shares.

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There were no changes in the number of ordinary shares held as treasury shares by the Company since 31 December 2016.

**2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice**

These figures have not been audited, or reviewed by the auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation consistent with those used in the most recent audited annual financial statements for the year ended 31 December 2016.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

The Group adopted various new and revised IFRSs that are relevant to its operations and effective for period beginning 1 January 2017. The Group has adopted accounting policies and methods of computation consistent with those used in the most recent audited annual financial statements for the year ended 31 December 2016.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

| <b>The Group</b>  |                          |                          |                         |                         |
|---|--------------------------|--------------------------|-------------------------|-------------------------|
|   | <b>Ytd Sept<br/>2017</b> | <b>Ytd Sept<br/>2016</b> | <b>3rd Qtr<br/>2017</b> | <b>3rd Qtr<br/>2016</b> |
| Earnings per ordinary share for the period after deducting any provision for preference dividends:- |                          |                          |                         |                         |
| (i) Based on weighted average number of ordinary shares   | USD0.81cents             | USD2.77cents             | USD0.34cents            | USD1.73cents            |
| - Weighted average numbers of shares  | 12,734,756,156           | 12,734,756,156           | 12,734,756,156          | 12,734,756,156          |
| (ii) On a fully diluted basis   | Not applicable           | Not applicable           | Not applicable          | Not applicable          |
| - Weighted average numbers of shares  | Not applicable           | Not applicable           | Not applicable          | Not applicable          |

**7. Net asset value (for the issuer and group) per ordinary share based on issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year**

|  | <b>The Group</b>             |                              | <b>The Company</b>           |                              |
|--|------------------------------|------------------------------|------------------------------|------------------------------|
|  | <b>As at<br/>30 Sep 2017</b> | <b>As at<br/>31 Dec 2016</b> | <b>As at<br/>30 Sep 2017</b> | <b>As at<br/>31 Dec 2016</b> |
| Net asset value per ordinary share based on existing issued share capital of 12,734,756,156 shares | US\$0.32                     | US\$0.32                     | US\$0.18                     | US\$0.18                     |

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

|                                | Ytd Sept 2017    | Ytd Sept 2016    | Change   |
|--------------------------------|------------------|------------------|----------|
|                                | <u>US\$'000</u>  | <u>US\$'000</u>  | <u>%</u> |
| <b>Revenue by segment</b>      |                  |                  |          |
| Plantations and palm oil mills | 1,251,591        | 977,866          | 28.0     |
| Palm and laurics               | 4,913,392        | 4,424,793        | 11.0     |
| Oilseeds                       | 471,166          | 489,692          | (3.8)    |
| Others                         | 147,054          | 142,749          | 3.0      |
| Inter-segment eliminations     | (1,198,704)      | (964,121)        | 24.3     |
| <b>Total Revenue</b>           | <u>5,584,499</u> | <u>5,070,979</u> | 10.1     |
| <b>EBITDA by segment</b>       |                  |                  |          |
| Plantations and palm oil mills | 378,196          | 239,371          | 58.0     |
| Palm and laurics               | 121,602          | 135,420          | (10.2)   |
| Oilseeds                       | 7,604            | 16,444           | (53.8)   |
| Others                         | 1,976            | 1,555            | 27.1     |
| Inter-segment eliminations     | (1,101)          | 190              | n.m.     |
| <b>Total EBITDA</b>            | <u>508,277</u>   | <u>392,980</u>   | 29.3     |

Notes:

- (1) EBITDA refers to earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, net gain from changes in fair value of biological assets and foreign exchange (loss)/gain.
- (2) Plantations and palm oil mills segment refers to products from upstream business.
- (3) Palm and laurics segment refers to processing and merchandising of palm based products, i.e. bulk and branded as well as oleochemicals and other vegetable oils.
- (4) Oilseeds segment refers to processing and merchandising of oilseed based products, i.e. bulk and branded.
- (5) Others refer to production and distribution of food & consumer products in China and Indonesia.

## REVIEW OF PERFORMANCE FOR NINE MONTHS ENDED 30 SEPTEMBER 2017

Revenue of the Group grew by 10.1% to US\$5,584.5 million for the nine months ended 30 September 2017 ("9M2017") primarily contributed by higher average crude palm oil ("CPO") price and the recovery in palm production. In tandem with higher revenue, EBITDA and underlying profit of the Group increased to US\$508.3 million and US\$216.5 million respectively, for 9M2017. The Group's net profit attributable to owners was lower at US\$103.1 million mainly due to recognition of deferred income tax assets in the previous corresponding period in 2016 ("9M2016").

### PLANTATIONS AND PALM OIL MILLS

Revenue from our plantations and palm oil mills segment increased by 28.0% to US\$1,251.6 million mainly attributable to increases in production yield and average CPO price during the current period. These increases have resulted in a 58.0% increase in EBITDA from plantations and palm oil mills segment to US\$378.2 million in 9M2017.

The average international CPO price (FOB Belawan) for the current period was US\$689 per tonne as compared to US\$650 per tonne in 9M2016. Fresh fruit bunch ("FFB") and total palm product output for the current period continued to improve to 7,315,000 (9M2016: 5,745,000) tonnes and 2,074,000 (9M2016: 1,633,000) tonnes, respectively as the impact of severe El Nino weather condition subsided.

## **PALM AND LAURICS**

Revenue from our palm and laurics segment increased by 11.0% to US\$4,913.4 million in 9M2017 mainly due to higher volume and average net realised prices. However, EBITDA from the palm and laurics segment was lower by 10.2% at US\$121.6 million in 9M2017 mainly affected by higher input prices during the current period.

## **OILSEEDS**

Revenue from our oilseeds segment decreased by 3.8% to US\$471.2 million in 9M2017 as a result of lower volume while EBITDA was lower by 53.8% to US\$7.6 million due to higher input prices during the current period.

## **FINANCIAL EXPENSES, NET**

Net financial expenses of US\$79.3 million (9M2016: US\$78.0 million) comprised net interest expenses (after deducting interest income), amortisation of deferred loan charges and other finance charges. The marginal increase in net financial expenses was in line with higher interest rates on borrowings.

## **SHARE OF RESULTS OF JOINT VENTURES, NET**

The Group's share of results of joint ventures was lower at US\$2.0 million in 9M2017 as compared to US\$6.5 million in 9M2016 mainly due to lower contribution from our shipping operations and share of pre-operating expenses.

## **FOREIGN EXCHANGE (LOSS)/GAIN**

The Group recorded a net foreign exchange loss of US\$3.7 million in the current period as compared to a net gain of US\$50.5 million in 9M2016. Net foreign exchange gain was higher in 9M2016 due to translation gain on Indonesian Rupiah ("IDR") denominated monetary assets following the strengthening of IDR against USD from IDR13,795/USD1 as at end 2015 to IDR12,998/USD1 as at end September 2016 and fair value gain on forward foreign currency contracts entered to hedge the currency exposure of Malaysian Ringgit ("MYR").

## **OTHER OPERATING INCOME**

Net other operating income comprised mainly changes in fair value of biological assets (agricultural produce) and financial assets, income from sales of seedlings, fixed assets and other materials, as well as rental income. Net other operating income decreased from US\$64.2 million in 9M2016 to US\$32.4 million mainly due to lower net gain from changes in fair value of biological assets, partially offset by gain on disposal of fixed assets. The net gain from changes in fair value of biological assets for 9M2017 was US\$5.8 million as compared to US\$50.5 million in 9M2016 mainly due to lower market prices and lower net increase of FFB productions during the current period.

## **TAX**

Income tax comprised provision for current and deferred income tax derived by applying the varying statutory tax rates of the different countries in which the Group operates on its taxable profit and taxable temporary difference. No group relief is available for set-off of taxable profits against tax losses of companies within the Group.

The Group recorded a net tax expense of US\$41.1 million in 9M2017 in view of the taxable profit recorded during the current period. Net tax credit of US\$215.1 million in 9M2016 was mainly due to recognition of deferred income tax assets as the Group revalued some of its plantation assets in Indonesia.

## REVIEW OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2017

### ASSETS

The Group's total assets were marginally higher at US\$8,324.4 million as at 30 September 2017 as compared to US\$8,306.4 million as at end of 2016. The increase was mainly attributable to increase in inventories and other current assets, partially offset by lower trade receivables and property, plants and equipment.

Inventories increased by 15.5% to US\$1,117.2 million mainly attributable to higher inventories level for our refined products, as well as higher inventories level for our oilseeds business due to shipment arrival in September 2017.

Other current assets increased by US\$163.3 million to US\$1,055.8 million mainly attributable to higher deposits and advances to suppliers, and higher receivables arising from the sale of property assets in September 2017.

Trade receivables decreased by US\$104.6 million to US\$456.8 million mainly due to payment received during the current period, as well as timing of sales made.

Lower book value of property, plant and equipment of US\$101.9 million was mainly due to depreciation expenses recorded for the current period.

### LIABILITIES

Total liabilities of the Group decreased by US\$67.8 million to US\$4,142.7 million as at 30 September 2017. This was mainly attributable to lower other payables, partially offset by increase in total borrowings for working capital purposes.

Other payables decreased by US\$80.2 million to US\$268.8 million following the settlement of payables made during the current period, as well as lower advances received from customers.

## REVIEW OF CASH FLOWS FOR NINE MONTHS ENDED 30 SEPTEMBER 2017

Net cash generated from operating activities (after payment of interest expenses) in 9M2017 was higher at US\$219.4 million mainly in line with the improved operating profit during the current period.

Net cash used in investing activities of US\$198.6 million was mainly related to capital expenditures on our bearer plants and property, plant and equipment, as well as investment in long-term fund.

Net cash used in financing activities of US\$26.7 million was mainly related to payment for dividends and repayments of borrowings, net of proceeds from new drawdown.

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

Not applicable.



**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

The Group's operating performance will continue to be affected by the prices of CPO and competing seed oils, fluctuating foreign currency exchange rates and weather conditions. We expect the CPO prices to remain supported by global demand growth, including the tight stock position and the implementation of the biodiesel mandate in Indonesia. The Group will continue to optimise margins through enhancing integration and operational excellence, as well as to improve its yield and cost efficiency.

**11. Dividend**

***(a) Current Financial Period Reported On***

Any ordinary dividend declared for the current financial period reported on? Yes

|                            |  |
|----------------------------|--|
| Name of Dividend:          | Interim dividend                         |
| Dividend Type:             | Cash                                     |
| Dividend Amount per share: | 0.693 Singapore cents per ordinary share |
| Number of shares:          | 12,734,756,156                           |
| Tax Rate:                  | Tax not applicable                       |

***(b) Corresponding Period of the Immediately Preceding Financial Year***

Any ordinary dividend declared for the corresponding period of the immediately preceding financial year? No.

***(c) Date payable***

29 November 2017

***(d) Books closure date***

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 23 November 2017 on which day no share transfer will be effected. Duly completed transfers received by the Company's Share Registrar and Transfer Office, B.A.C.S. Private Limited, 8 Robinson Road, #03-00 ASO Building, Singapore 048544, up to the close of business at 5.00 p.m. on 22 November 2017 will be registered to determine shareholders' entitlements to the interim dividend.

**12. If no dividend has been declared/recommended, a statement to that effect**

Not applicable.

**13. Interested persons transactions disclosure**

| Name of interested person      | Aggregate value of all interested person transactions during the period under review (excluding transactions less than SGD100,000 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 SGD100,000) |
|--------------------------------|--|--|
|                                | 3Q2017   | 3Q2017   |
|                                | US\$   | US\$   |
| PT Asuransi Sinar Mas          | Nil  | 1,706,913  |
| PT Bank Sinarmas Tbk *         | Nil  | 5,861,671  |
| PT Cakrawala Mega Indah        | Nil  | 8,600,751  |
| PT Duta Cakra Pesona @         | 107,500,000  | Nil  |
| PT Maritim Sinar Utama         | Nil  | 359,128  |
| PT Rolimex Kimia Nusamas       | Nil  | 2,389,592  |
| PT Roundhill Capital Indonesia | Nil  | 3,287,921  |
| PT Royal Oriental              | Nil  | 3,377,288  |
| PT Sinar Jati Mitra            | Nil  | 290,040  |
| <b>Total</b>                   | <b>107,500,000</b>   | <b>25,873,304</b>  |

Notes:

\* Principal amount as at 30 September 2017 is approximately US\$6.1 million.

@ Transfer of property assets in Sinarmas MSIG Tower from PT Purimas Sasmita, a subsidiary of the Company, to PT Duta Cakra Pesona as announced on 11 September 2017.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

Not applicable.

**15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Not applicable.

**16. A breakdown of sales**

Not applicable.

**17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

Not applicable.

**18. Confirmation pursuant to the Rule 705(5) of the listing manual**

We, Franky Oesman Widjaja and Rafael Buhay Concepcion, Jr., being two directors of Golden Agri-Resources Ltd (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to their attention which would render the third quarter and nine months ended 30 September 2017 unaudited financial results to be false or misleading.

On behalf of the board of directors

Franky Oesman Widjaja  
Director

Rafael Buhay Concepcion, Jr.  
Director

**19. Confirmation pursuant to the Rule 720(1) of the listing manual**

The Company confirms that it has procured undertakings from all its directors and executive officers in the form set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

**BY ORDER OF THE BOARD**

Rafael Buhay Concepcion, Jr.  
Director  
14 November 2017

Submitted by Kimberley Lye Chor Mei, Director, Corporate Secretarial on 14 November 2017 to the SGX