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Golden Agri-Resources Ltd (GAR)
Interim Performance Presentation
Half year ended 30 June 2021

13 August 2021

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Executive Summary

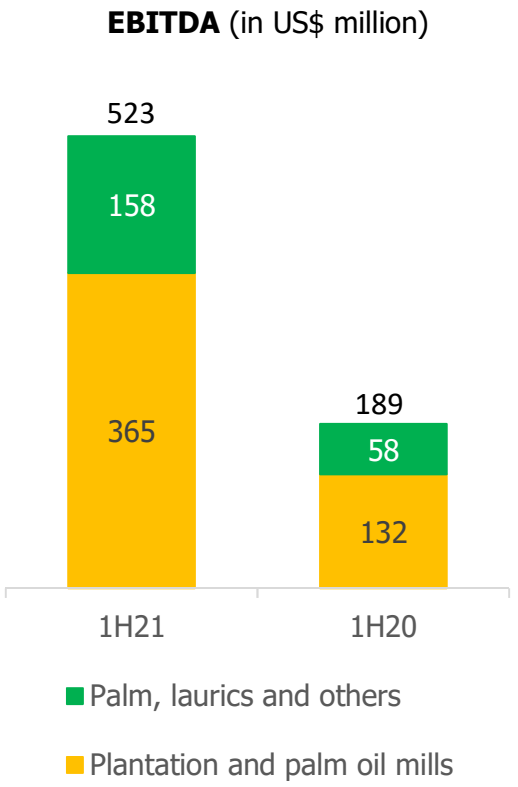
GAR continued its robust performance in second quarter 2021 contributed from both upstream and downstream businesses

- 1H 2021 Financial Performance

Revenue	EBITDA	Underlying Profit[1]
US$4.45 bn +31%	**US$523 mn +176%**	**US$246 mn n.m**

- 2Q 2021 Financial Performance (QoQ)

Revenue	EBITDA	Underlying Profit[1]
US$2.41 bn +17%	**US$291 mn +26%**	**US$147 mn +48%**



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

Financial Highlights

Financial Performance

US$ million	1H 2021	1H 2020	YoY	2Q 2021	1Q 2021	QoQ
Revenue	4,454	3,391	31%	2,406	2,048	17%
Gross Profit	1,061	389	173%	576	485	19%
EBITDA[1]	523	189	176%	291	232	26%
Underlying Profit/(Loss)[2]	246	-11	n.m	147	99	48%
Net gain/(loss) from changes in fair value of biological assets[3]	*2*	*-4*	*n.m*	*2*	*0.2*	*920%*
Depreciation of bearer plants[3]	*-60*	*-59*	*1%*	*-31*	*-29*	*7%*
Foreign exchange gain/(loss)[3]	*-8*	*-45*	*-83%*	*8*	*-15*	*n.m*
Deferred tax expense[3]	*-27*	*-31*	*-14%*	*-13*	*-14*	*-9%*
Exceptional item[3]	*-*	*-5*	*-100%*	*-*	*-*	*-*
Net profit/(loss) attributable to owners of the Company	153	-157	n.m	112	41	176%

- Strong performance on the back of CPO price appreciation and plantation output growth, partly offset by higher export levy and tax
- Healthier downstream business environment after supply chain disruptions in first half 2020

Notes:

1. EBITDA includes net fair value gain/(loss) on financial assets in accordance with IFRS 9 of US$11 million, US$-14 million, US$13 million and US$-2 million in 1H 2021, 1H 2020, 2Q 2021 and 1Q 2021, respectively.
2. Net profit/loss attributable to owners of the Company, excluding net effect of net gain/loss from changes in fair value of biological assets, depreciation of bearer plants, exceptional items, foreign exchange gain/loss, and deferred tax expense
3. Net of tax and/or non-controlling interests

Financial Position

Lower leverage and strengthened liquidity position amidst the COVID-19 pandemic

US$ million	30-Jun-21	31-Dec-20	Change
Total Assets	9,240	9,126	1%
Cash and short-term investments	*1,041*	*1,097*	*-5%*
Fixed assets[1]	*4,017*	*4,127*	*-3%*
Total Liabilities	4,615	4,695	-2%
Net Debt[2]	747	1,108	-32%
Interest bearing debt	*3,060*	*3,145*	*-3%*
Cash, short-term investments and liquid working capital[3]	*2,313*	*2,037*	*14%*
Total Equity	4,625	4,432	4%
Net Debt[2]/Total Equity	0.16x	0.25x	
Net Debt[2]/Total Assets	0.08x	0.12x	
Net Debt[2]/EBITDA[4]	0.75x	1.66x	
EBITDA/Interest[4]	6.67x	4.83x	

Notes:
1. Includes Property, Plant and Equipment, Bearer Plants, Right-of-use Assets and Investment Properties
2. Interest bearing debt less cash, short-term investments and liquid working capital
3. Liquid working capital is trade receivables, inventories (excluding consumables), deposits and advances to suppliers less trade payables and advances from customers
4. Calculated based on the last four quarters figures

Interim Dividend

Considering GAR's robust performance during first half 2021, the Board declares interim dividend of 0.528 Singapore cents per share

Cash Dividend	2016	2017	2018	2019	2020	1H 2021
Dividend per share (in S$ cents)	0.635	0.809	0.580	0.580	0.480	0.528
Total Dividend (in S$ million)	80.86	103.02	73.86	73.86	60.92	67.01
Underlying Profit[1] (in US$ million)	186.28	253.84	180.72	271.82	230.19	245.96
% to underlying profit	31%	30%	30%	20%	20%	20%

The Company's dividend policy is to distribute up to 30% of underlying profit, after considering:

- results of operations, cash flows and financial condition;
- working capital requirements;
- the dividend payment from subsidiaries; and
- other factors deemed relevant by the Board of Directors and shareholders.

Note:

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

Segmental Performance

Segmental Results
Plantations and Palm Oil Mills

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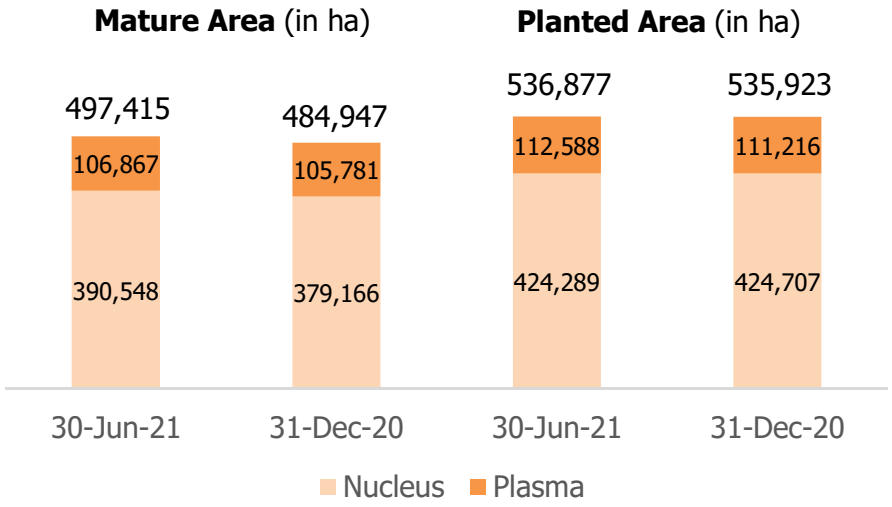
Higher margins supported by sustained strength in CPO prices and production recovery

	1H 2021	1H 2020	YoY
Revenue (US$ million)	1,043	625	67%
EBITDA (US$ million)	365	132	177%
EBITDA margin	*35%*	*21%*	*14%*
CPO FOB Price (US$/MT)	1,088	616	77%
FFB Production ('000 tonnes)	5,183	4,084	27%
Nucleus	4,060	3,215	26%
Plasma	1,123	870	29%
FFB Yield (tonnes/ha)	10.4	8.8	18%
Palm Product Output ('000 tonnes)	1,598	1,219	31%
CPO	1,273	973	31%
PK	325	246	32%
Oil Extraction Rate	21.6%	21.6%	-
Kernel Extraction Rate	5.5%	5.5%	-
Palm Product Yield (tonnes/ha)	2.8	2.4	19%

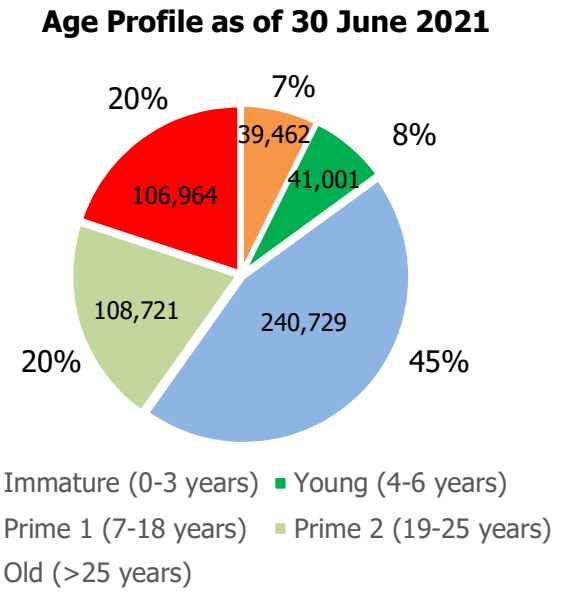
Note: EBITDA includes allocated net fair value gain/(loss) on financial assets (IFRS 9) of US$5 million and US$-3 million in 1H 2021 and 1H 2020, respectively

Oil Palm Plantations

Continued long-term productivity growth through replanting and technological innovation



- Immature and young estates use next-generation, higher-yielding seeds for continued long-term production growth
- Our high-quality estates continue to produce superior CPO yields, even at over 25 years
- Replanting achieved at around 8,700 ha in 1H 2021

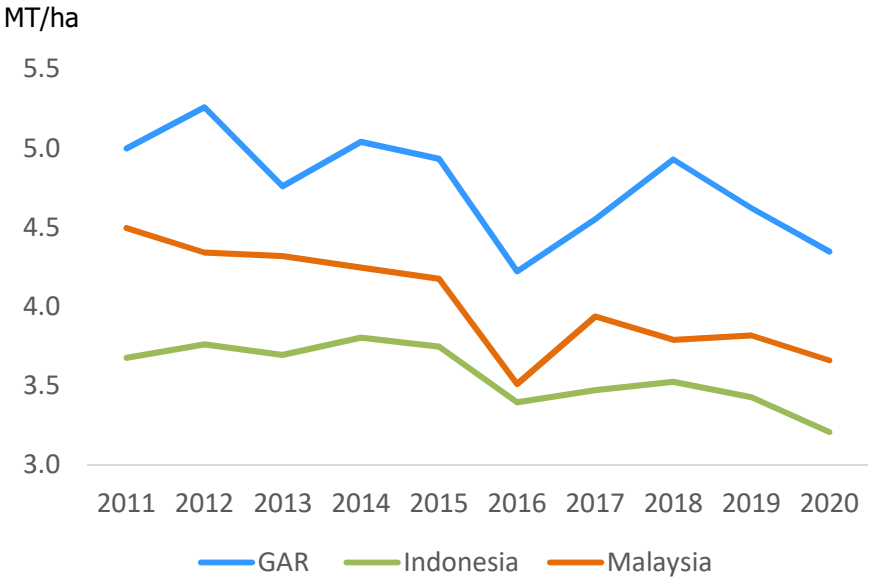


Notes:
1. Including plasma
2. Average age of plantations, including plasma, is 17 years

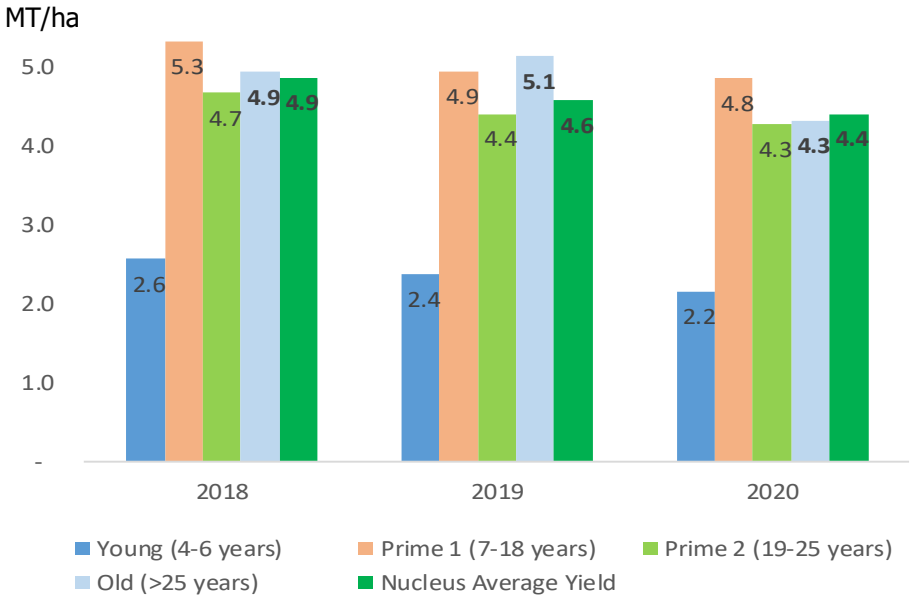
Managed Age Profile Provides Continued High Yields

GAR sustains its high yields despite higher average age

GAR's best-in-class plantations consistently deliver above-industry CPO yields



Our high-quality estates continue to produce superior CPO yields, even at over 25 years



Our yields will continue to increase through replanting with next-generation higher-yielding seeds and increased mechanisation

Segmental Results
Palm, Laurics and Others

Strong margin recovery after impact from the COVID-19 outbreak in early 2020

	1H 2021	1H 2020	YoY
Revenue (US$ million)	4,433	3,382	31%
Sales Volume ('000 tonnes)	4,778	4,971	-4%
EBITDA (US$ million)	158	58	172%
EBITDA margin	*3.6%*	*1.7%*	*1.9%*

- Lower sales volume in first half 2021 due to timing of delivery resulting to higher inventory at end of the period
- Indonesia B30 biodiesel programme is a major catalyst to the industry with strong support from the Government and industry players

Notes:
1. This segment refers to processing and merchandising of palm and oilseed based products i.e. bulk, branded, oleo-chemicals and other vegetable oils, as well as production and distribution of other consumer products mainly food and beverages
2. EBITDA includes allocated net fair value gain/(loss) on financial assets (IFRS 9) of US$6 million and US$-11 million in 1H 2021 and 1H 2020, respectively

Strategy and Outlook

Strategic Outlook

Strategic Focus

- Continue to develop capability in serving growing global demand of health-friendly and sustainably-produced products, leveraging the strengths as a leading soil-to-table agribusiness
- Budgeted capital expenditure of US$150 million in 2021 mainly for replanting, biodiesel capacity expansion, and enhancing capability to produce higher-value products
- Gemini Edibles & Fats India, a 56.27% subsidiary of GAR has initiated the process for its proposed listing on the BSE and the National Stock Exchange of India[1]





Industry Outlook

- Fundamental supply and demand balance is expected to remain tight
- Long-term outlook of the industry continue to be positive supported by palm oil's competitive advantages in serving growing population and income per capita





Note:

1 For further details, kindly refer to GAR's announcement regarding Gemini Edibles & Fats India Limited, released on 8 August 2021. As there is no assurance that the Proposed IPO will proceed, and the terms thereof have not been finalised, shareholders and potential investors are advised to exercise caution when dealing with the Company's securities, and to refrain from taking any action in respect of their securities which may be prejudicial to their interests

Towards Responsible Palm Oil Production

TTP for palm supply chain

- To date, 94% of palm supply chain is fully traceable to the plantation
- Aim to go beyond 100% TTP to reflect entire supply shed and maintain full traceability
- This is because supply chain fluctuates every year due to suppliers joining or leaving

GAR scores strongly on ESG

- Continues to be part of FTSE4Good with score 3.3/5 and 59 percentile rank
- Ranks 10/100 on the SPOTT ESG policy transparency assessment
- Ranks 38/519 on the Singapore Governance and Transparency Index 2021

Expanding deforestation monitoring

- Near real-time satellite monitoring of deforestation
- Covers palm oil concessions and supply chain across all of Indonesia



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Appendix

Age Profile

Immature and younger estates use newer-generation higher-yielding planting materials that will further boost production growth in the future

hectares	Immature (0-3 years)	Young (4-6 years)	Prime 1 (7-18 years)	Prime 2 (19-25 years)	Old (>25 years)	Total
30 June 2021						
Nucleus	33,741	37,525	213,195	74,853	64,975	424,289
Plasma	5,721	3,476	27,534	33,868	41,989	112,588
Total Planted Area	39,462	41,001	240,729	108,721	106,964	536,877
% of total	7%	8%	45%	20%	20%	100%
31 December 2020						
Nucleus	45,541	34,386	204,735	100,165	39,880	424,707
Plasma	5,435	2,069	27,917	45,890	29,905	111,216
Total Planted Area	50,976	36,455	232,652	146,055	69,785	535,923
% of total	10%	7%	43%	27%	13%	100%

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