

OFFER INFORMATION STATEMENT DATED 29 JUNE 2009
(Lodged with the Monetary Authority of Singapore on 29 June 2009)

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

A copy of this Offer Information Statement (as defined herein), together with a copy of each of the Provisional Allotment Letter (the "PAL"), the Application Form for Rights Shares with Warrants (as defined herein) and excess Rights Shares with Warrants (the "ARE") and the Application Form for Rights Shares with Warrants (the "ARS"), has been lodged with the Monetary Authority of Singapore (the "Authority"). The Authority assumes no responsibility for the contents of this Offer Information Statement, the PAL, the ARE and the ARS. Lodgement of this Offer Information Statement with the Authority does not imply that the Securities and Futures Act, Chapter 289 of Singapore, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the Rights Shares, the Warrants and the New Shares (each as defined herein) being offered, or in respect of which an invitation is made, for investment.

In-principle approval has been obtained from the Singapore Exchange Securities Trading Limited (the "SGX-ST") for the dealing in, listing and quotation of the Rights Shares, the Warrants and the New Shares on the Official List of the Main Board of the SGX-ST, subject to certain conditions. The Rights Shares, the Warrants and the New Shares will be admitted to the Official List of the Main Board of the SGX-ST and official quotation will commence after all conditions imposed by the SGX-ST are satisfied, including a sufficient spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants, all certificates relating thereto have been issued and the notification letters from The Central Depository (Pte) Limited (the "CDP") have been despatched.

The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Offer Information Statement. In-principle approval granted by the SGX-ST for the admission to the Official List of the Main Board of the SGX-ST, and the dealing in, listing and quotation of the Rights Shares, the Warrants and the New Shares on the SGX-ST is in no way reflective of and are not to be taken as an indication of the merits of Golden Agri-Resources Ltd (the "Company"), its subsidiaries, the Rights Issue, the Shares, the "nil-paid" Rights (each as defined herein), the Rights Shares, the Warrants or the New Shares.

It should be noted that the Warrants may not be listed and quoted on the SGX-ST in the event of an insufficient spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants. Accordingly, in such event, Warrant holders (as defined herein) will not be able to trade their Warrants on the SGX-ST. However, if a Warrant holder were to exercise his right, subject to the terms and conditions of the Warrants, to convert his Warrants into New Shares, such New Shares will be listed and quoted on the Official List of the Main Board of the SGX-ST.

This Offer Information Statement may not be sent to any person or any jurisdiction in which it would not be permissible to deliver the "nil-paid" Rights or make an offer of the Rights Shares with Warrants, and the "nil-paid" Rights and the Rights Shares with Warrants may not be offered, sold, resold, transferred or delivered, directly or indirectly, to any such person or in any such jurisdiction. The "nil-paid" Rights and the Rights Shares with Warrants have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("Securities Act"), or under the securities laws of any state of the United States and, accordingly, they may not be offered or sold, directly or indirectly, in the United States, except pursuant to an exemption from or in a transaction not subject to the registration requirements of the Securities Act. The "nil-paid" Rights and the Rights Shares with Warrants (1) are being offered and sold in offshore transactions in reliance on Regulation S under the Securities Act, and (2) may be offered and sold in the United States to a limited number of persons, whom the Company reasonably believes to be "qualified institutional buyers" within the meaning of Rule 144A of the Securities Act ("QIBs") in reliance on the exemption from the registration requirements of the Securities Act under Section 4(2) thereof and who have provided to the Company a signed investor representation letter in the form attached hereto as Appendix I of this Offer Information Statement, in transactions exempt from the registration requirements of the Securities Act. Please refer to the Section entitled "Transfer and Selling Restrictions" of this Offer Information Statement.

No Rights Shares and/or Warrants shall be allotted or allocated on the basis of this Offer Information Statement later than six (6) months after the date of lodgement of this Offer Information Statement with the Authority.



GOLDEN AGRI-RESOURCES LTD

(Incorporated in the Republic of Mauritius on 15 October 1996)

UNDERWRITTEN RENOUNCEABLE RIGHTS ISSUE ("RIGHTS ISSUE") OF UP TO 1,763,739,384 NEW ORDINARY SHARES ("RIGHTS SHARES") IN THE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.18 FOR EACH RIGHTS SHARE, WITH UP TO 705,495,753 FREE DETACHABLE WARRANTS ("WARRANTS"), EACH WARRANT CARRYING THE RIGHT TO SUBSCRIBE FOR ONE (1) NEW ORDINARY SHARE IN THE CAPITAL OF THE COMPANY ("NEW SHARE") AT AN EXERCISE PRICE OF S\$0.54 FOR EACH NEW SHARE ON THE BASIS OF 17 RIGHTS SHARES FOR EVERY 100 EXISTING ORDINARY SHARES OF THE COMPANY ("SHARES") HELD BY THE ENTITLED SHAREHOLDERS (AS DEFINED HEREIN) AS AT THE BOOKS CLOSURE DATE (AS DEFINED HEREIN), AND TWO (2) WARRANTS FOR EVERY FIVE (5) RIGHTS SHARES SUBSCRIBED, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

Joint Lead Managers and Joint Underwriters



IMPORTANT DATES AND TIMES

Last date and time for splitting	:	10 July 2009 at 5.00 p.m.
Last date and time for acceptance and payment	:	16 July 2009 at 5.00 p.m. (9.30 p.m. for Electronic Applications (as defined herein) through ATMs (as defined herein) of Participating Banks (as defined herein))
Last date and time for renunciation and payment	:	16 July 2009 at 5.00 p.m.
Last date and time for excess application and payment	:	16 July 2009 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of Participating Banks)

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IMPORTANT NOTICE

Capitalised terms used below which are not otherwise defined herein shall have the same meaning as ascribed to them under the Section entitled “**Definitions**” of this Offer Information Statement.

For investors who hold Shares through finance companies or Depository Agents, acceptances of the Rights Shares with Warrants and (if applicable) applications for excess Rights Shares with Warrants must be done through the respective finance companies or Depository Agents. Any application made directly to the CDP or through ATMs will be rejected.

The Company is not registered under the CPF Investment Scheme and CPF Ordinary Account savings cannot be used for the payment of the Issue Price to subscribe for their provisional allotments of the Rights Shares with Warrants and/or excess Rights Shares with Warrants.

For Entitled Depositors (which excludes Entitled Scripholders and investors who hold shares through a finance company or Depository Agent), acceptances of the Rights Shares with Warrants and (if applicable) applications for excess Rights Shares with Warrants may be made through CDP or by way of Electronic Application at any ATM of a Participating Bank.

For Entitled Scripholders, acceptances of the Rights Shares with Warrants and (if applicable) applications for excess Rights Shares with Warrants may be made through the Share Registrar of the Company, B.A.C.S. Private Limited.

The existing Shares are quoted on the Official List of the Main Board of the SGX-ST.

Persons wishing to purchase any “nil-paid” Rights or subscribe for the Rights Shares with Warrants offered by this Offer Information Statement should, before deciding whether to purchase or subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of the assets and liabilities, profits and losses, financial position, risk factors, and performance and prospects of the Company and the Group and the rights and liabilities attaching to the “nil-paid” Rights, the Rights Shares, the Warrants and the New Shares (when allotted and issued pursuant to the exercise of the Warrants). They should also make their own independent enquiries and investigations of any bases and assumptions, upon which financial projections, if any, are based and carefully consider this Offer Information Statement in the light of their personal circumstances (including financial and taxation affairs). No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice. It is recommended that such persons seek professional advice from their accountant, stockbroker, bank manager, lawyer or other professional advisers before deciding whether to purchase or subscribe for the “nil-paid” Rights, the Rights Shares, the Warrants, the New Shares and/or the Shares.

No person has been authorised to give any information or to make any representations other than those contained in this Offer Information Statement in connection with the Rights Issue or the allotment and issue of the “nil-paid” Rights, the Rights Shares, the Warrants and the New Shares and, if given or made, such information or representations must not be relied upon as having been authorised by the Company, the Group or the Joint Lead Managers and Joint Underwriters. Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Company or the Group. Neither the delivery of this Offer Information Statement nor the issue of the “nil-paid” Rights, the Rights Shares, the Warrants and the New Shares shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no material change in the affairs of the Company or the Group or any of the information contained herein since the date hereof. Where such changes occur after the date hereof and are material, or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same via SGXNET and, if required, lodge a supplementary or replacement document with the Authority. All Entitled Shareholders of the Company and their renounees should take note of any such announcement and, upon the release of such

announcement or lodgement of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

Neither the Company nor any of the Joint Lead Managers and Joint Underwriters is making any representation to any person regarding the legality of an investment in the “nil-paid” Rights, the Rights Shares, the Warrants, the New Shares and/or the Shares by such person under any investment or any other laws or regulations.

The Joint Lead Managers and Joint Underwriters make no representation, warranty or recommendation whatsoever as to the merits of the Company, the Group, the Rights Issue, the Shares, the “nil-paid” Rights, the Rights Shares, the Warrants or the New Shares or any other matter related thereto or in connection therewith. Nothing in this Offer Information Statement or the accompanying documents shall be construed as a recommendation to purchase or subscribe for the “nil-paid” Rights, the Rights Shares, the Warrants, the New Shares and/or the Shares. Prospective subscribers of the Rights Shares with Warrants should rely on their own investigation of the financial condition and affairs, appraisal and determination of the merits of investing in the Company and the Group and shall be deemed to have done so.

This Offer Information Statement and the accompanying documents have been prepared solely for the purpose of the acceptance and subscription of the Rights Shares with Warrants under the Rights Issue, and may not be relied upon by any persons (other than Entitled Shareholders to whom it is despatched by the Company, their renounees and purchasers of the provisional allotments of Rights Shares with Warrants) or for any other purpose.

This Offer Information Statement and the accompanying documents may not be used for the purpose of, and do not constitute, an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.

The distribution of this Offer Information Statement and/or its accompanying documents, and the purchase, exercise of or subscription for the “nil-paid” Rights, the Rights Shares, the Warrants and the New Shares may be prohibited or restricted by law (either absolutely or subject to various requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant laws of these jurisdictions. Entitled Shareholders or any other persons having possession of this Offer Information Statement and/or its accompanying documents are advised to keep themselves informed of and observe such prohibitions and restrictions at their own expense and without liability to the Company or the Joint Lead Managers and Joint Underwriters. Please refer to the Sections entitled “Eligibility of Shareholders to Participate in the Rights Issue” and “Transfer and Selling Restrictions” of this Offer Information Statement for further information.

The FSC (as defined herein) of Mauritius has issued a Global Business Licence Category 1 to the Company. Investors in the Company are not protected by any statutory compensation arrangements in Mauritius in the event of the Company’s failure. It must be distinctly understood that, in giving this licence, the FSC does not vouch for the financial soundness of the Company or the correctness of any statement made or opinion expressed with regard to the Company in this Offer Information Statement.

DEFINITIONS

For the purpose of this Offer Information Statement, the PAL, the ARE and the ARS, the following definitions apply throughout unless the context otherwise requires or unless otherwise stated:

"1Q2009"	:	The three (3) months ended 31 March 2009
"1Q2008"	:	The three (3) months ended 31 March 2008
"ARE"	:	Application and acceptance form for Rights Shares with Warrants and excess Rights Shares with Warrants issued to Entitled Depositors in respect of the provisional allotments of Rights Shares with Warrants of such Entitled Depositors under the Rights Issue
"ARS"	:	Application and acceptance form for Rights Shares with Warrants issued to Purchasers of the provisional allotments of Rights Shares with Warrants under the Rights Issue traded on the SGX-ST through the book-entry (scripless) settlement system
"ATM"	:	Automated teller machine
"Authority"	:	Monetary Authority of Singapore
"Bonus Issue Exercise"	:	The bonus issue by the Company of 399,033,766 new Shares allotted on 2 April 2009 to Shareholders, on the basis of one (1) Bonus Share credited as fully paid by capitalisation of the Company's share premium account, for every 25 existing Shares held in the capital of the Company
"Bonus Shares"	:	The 399,033,766 new Shares issued pursuant to the Bonus Issue Exercise
"Books Closure Date"	:	5.00 p.m. on 29 June 2009, being the time and date at and on which the Register of Members and Transfer Books of the Company will be closed for the purpose of determining the provisional allotments of Rights Shares with Warrants of Entitled Shareholders under the Rights Issue
"Business Day"	:	A day (other than a Saturday, Sunday or public holiday) on which banks in Singapore, the SGX-ST, the Depository and the Warrant Agent are open for business
"CIF"	:	Cost, Insurance and Freight
"CDP"	:	The Central Depository (Pte) Limited
"China"	:	People's Republic of China, excluding Taiwan, Macau and Hong Kong Special Administrative Region for purpose of this Offer Information Statement and for geographical reference only

“Closing Date”	:	(i) 5.00 p.m. on 16 July 2009, or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company, being the last time and date for acceptance and/or excess application and payment, and renunciation and payment of the Rights Shares with Warrants under the Rights Issue through CDP or the Share Registrar; or
		(ii) 9.30 p.m. on 16 July 2009, or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company, being the last time and date for acceptance and/or excess application and payment of the Rights Shares with Warrants under the Rights Issue through an ATM of a Participating Bank
“Code”	:	The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as amended, modified or supplemented from time to time
“Company” or “GAR”	:	Golden Agri-Resources Ltd
“CPF”	:	Central Provident Fund
“CPO”	:	Crude palm oil
“Directors”	:	The directors of the Company as at the date of this Offer Information Statement
“Electronic Application”	:	Acceptance of the Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants made through an ATM of one of the Participating Banks in accordance with the terms and conditions of this Offer Information Statement
“Entitled Depositors”	:	Shareholders with Shares standing to the credit of their Securities Accounts and whose registered addresses with CDP are in Singapore as at the Books Closure Date or who have, at least three (3) Market Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents, including Entitled QIBs
“Entitled QIBs”	:	Those certain limited number of persons who the Company reasonably believes are QIBs (the identities of which are to be agreed between the Company and the Joint Lead Managers and Joint Underwriters), and have provided to the Company a duly signed investor representation letter in the form set out in Appendix I of this Offer Information Statement

“Entitled Scripholders”	:	Shareholders whose share certificates have not been deposited with CDP and who have tendered to the Share Registrar valid transfers of their Shares and the certificates relating thereto for registration up to the Books Closure Date and whose registered addresses with the Company are in Singapore as at the Books Closure Date or who have, at least three (3) Market Days prior to the Books Closure Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents, including Entitled QIBs
“Entitled Shareholders”	:	Entitled Depositors and Entitled Scripholders
“EPS”	:	Earnings per Share
“Exercise Date”	:	The date falling on the third (3 rd) anniversary of the date of issue of the Warrants, provided if such day falls on a date on which the Register of Members and/or the Register of Warrantheolders are closed or is not a Business Day, then the “Exercise Date” shall be the next Business Day on which the Register of Members and the Register of Warrantheolders are open
“Exercise Price”	:	The price payable for each New Share upon the exercise of a Warrant, which shall be S\$0.54 subject to adjustment(s) in accordance with the terms and conditions of the Warrants as set out in the Instrument
“FFB”	:	Fresh fruit bunches
“First Quarter Group Financial Results 2009”	:	The unaudited financial results of the Group for 1Q2009, a copy of which is enclosed in Appendix D of this Offer Information Statement
“Foreign Purchasers”	:	Purchasers of the provisional allotments of Rights Shares with Warrants whose registered addresses with CDP are outside Singapore at the time of purchase through the book-entry (scripless) settlement system
“Foreign Shareholders”	:	Shareholders with registered addresses outside Singapore as at the Books Closure Date, and who have not, at least three (3) Market Days prior to the Books Closure Date, provided to CDP or the Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents, provided that, for the avoidance of doubt, this term shall not include Entitled QIBs
“FSC”	:	Financial Services Commission
“FY”	:	Financial year ended 31 December
“Group”	:	The Company and its subsidiaries, collectively
“GST”	:	Goods and Services Tax levied under the Goods and Services Tax Act, Chapter 117A of Singapore

“Instrument”	:	The instrument by way of a deed poll executed by the Company on 29 June 2009 constituting the Warrants and containing, <i>inter alia</i> , provisions for the protection of the rights and interests of the Warrantholders
“Irrevocable Undertakings”	:	The irrevocable undertakings dated 27 May 2009 given by each of Flambo International Limited and Massingham International Ltd, in favour of the Company and the Joint Lead Managers and Joint Underwriters, in relation to the Rights Issue, details of which are set out in paragraph 1(f) in the Section entitled “Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 — Additional Information Required for Offer of Securities by way of Rights Issue” of this Offer Information Statement
“Issue Price”	:	The issue price of the Rights Shares, being S\$0.18 per Rights Share
“Joint Lead Managers and Joint Underwriters”	:	BNP Paribas, Singapore Branch, Credit Suisse (Singapore) Limited and UBS AG, acting through its business division, UBS Investment Bank
“Latest Practicable Date”	:	23 June 2009, being the latest practicable date preceding the date of lodgement of this Offer Information Statement with the Authority
“Listing Manual”	:	The listing manual of the SGX-ST, as amended or modified from time to time
“Management and Underwriting Agreement”	:	The management and underwriting agreement dated 27 May 2009 entered into between the Company and the Joint Lead Managers and Joint Underwriters, in relation to the Rights Issue, details of which are set out in paragraph 7 in the Section entitled “Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 — The Offer and Listing — Plan of Distribution” of this Offer Information Statement
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“NAV”	:	Net asset value
“New Shares”	:	The new Shares to be allotted and issued by the Company, upon the exercise of the Warrants subject to and in accordance with the terms and conditions of the Warrants as set out in the Instrument
“Offer Information Statement”	:	This document including (where the context requires) the PAL, the ARE, the ARS and all other accompanying documents, including any supplementary or replacement document issued by the Company and lodged with the Authority in connection with the Rights Issue
“PAL”	:	Provisional allotment letter issued to Entitled Scripholders, setting out the provisional allotments of Rights Shares with Warrants under the Rights Issue

<i>“Participating Banks”</i>	:	DBS Bank Ltd (including POSB), Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited
<i>“Purchaser”</i>	:	A purchaser of the provisional allotments of Rights Shares with Warrants traded on the SGX-ST during the “nil-paid” Rights trading period through the book-entry (scripless) settlement system
<i>“QIB”</i>	:	“Qualified institutional buyer” as defined in Rule 144A of the Securities Act
<i>“Receiving Bank”</i>	:	UBS AG, Singapore Branch, Global Wealth Management & Swiss Bank
<i>“Record Date”</i>	:	In relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered with the Company or the Securities Accounts of Shareholders must be credited with Shares, as the case may be, in order to participate in such dividends, rights, allotments or other distributions
<i>“Register of Members”</i>	:	Register of Members of the Company
<i>“Register of Warranholders”</i>	:	Register of Warranholders of the Company
<i>“Rights”</i>	:	Rights to subscribe for 17 Rights Shares for every 100 Shares held by Entitled Shareholders as at the Books Closure Date, and two (2) Warrants for every five (5) Rights Shares subscribed, fractional entitlements to be disregarded
<i>“Rights Issue”</i>	:	The underwritten renounceable rights issue by the Company of up to 1,763,739,384 Rights Shares at the Issue Price, with up to 705,495,753 free detachable Warrants, each Warrant carrying the right to subscribe for one (1) New Share at the Exercise Price, on the basis of 17 Rights Shares for every 100 existing Shares held by Entitled Shareholders as at the Books Closure Date, and two (2) Warrants for every five (5) Rights Shares subscribed, fractional entitlements to be disregarded, on the terms and conditions of this Offer Information Statement
<i>“Rights Issue Announcement”</i>	:	The announcement released by the Company via SGXNET on 27 May 2009 in relation to the Rights Issue
<i>“Rights Shares”</i>	:	Up to 1,763,739,384 new Shares to be allotted and issued by the Company pursuant to the Rights Issue
<i>“Securities Account”</i>	:	Securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
<i>“Securities Act”</i>	:	The U.S. Securities Act of 1933, as amended, and the rules and regulations of the U.S. Securities and Exchange Commission promulgated thereunder

“Securities and Futures Act” or “SFA”	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended, modified or supplemented from time to time
“SFR”	:	The Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005, as amended, modified or supplemented from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Registrar” or “Warrant Agent”	:	B.A.C.S. Private Limited
“Shareholders”	:	Registered holders of Shares in the Register of Members, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with such Shares
“Shares”	:	Ordinary shares of US\$0.025 each in the share capital of the Company
“Substantial Shareholder”	:	A shareholder who has an interest directly or indirectly in 5% or more of the total number of issued Shares
“Undertaking Shareholders”	:	Flambo International Limited and Massingham International Ltd
“Underwritten Rights Shares”	:	Up to 906,681,515 Rights Shares with Warrants, being the total number of Rights Shares with Warrants less the Rights Shares with Warrants which the Undertaking Shareholders have undertaken to subscribe pursuant to the Irrevocable Undertakings
“Unit Share Market”	:	The unit share market of the SGX-ST which allows trading of shares in single unit
“U.S.” or “United States”	:	United States of America
“Warrant Agency Agreement”	:	The Warrant Agency Agreement dated 29 June 2009, appointing, <i>inter alia</i> , the Warrant Agent, as the same may be modified from time to time by the parties thereto, and includes any other agreement (whether made pursuant to the terms of the Warrant Agency Agreement or otherwise) appointing further or other Warrant Agents or amending or modifying the terms of any such appointment
“Warrantholders”	:	Registered holders of the Warrants, except that where the registered holder is CDP, the term “Warrantholders” shall, in relation to such Warrants and where the context so admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Warrants are credited

“Warrants”	:	Up to 705,495,753 free detachable warrants in registered form to be allotted and issued by the Company together with the Rights Shares pursuant to the Rights Issue and (where the context admits) such additional warrants as may be required or permitted to be issued by the Company pursuant to the terms and conditions of the Warrants as set out in the Instrument (any such additional warrants are to rank <i>pari passu</i> with the Warrants issued together with the Rights Shares pursuant to the Rights Issue and for all purposes to form part of the same series of warrants constituted by the Instrument), every one (1) Warrant entitling the holder thereof to subscribe for one (1) New Share at the Exercise Price, fractional entitlements to be disregarded, subject to the terms and conditions of the Warrants as set out in the Instrument
“%” or “per cent”	:	Percentage or per centum
“IDR” or “Rupiah”	:	Indonesian Rupiah
“RMB”	:	Renminbi
“S\$” and “cents”	:	Singapore dollars and cents, respectively
“US\$” or “US Dollar” and “US cents”	:	U.S. dollar and cents, respectively

The terms **“Depositor”**, **“Depository”**, **“Depository Agent”** and **“Depository Register”** shall have the same meanings ascribed to them respectively in Section 130A of the Companies Act.

The term **“subsidiary”**, where used with reference to a subsidiary of the Company or a subsidiary of the Group, shall have the meaning ascribed to it in Section 3 of the Companies Act 2001 of Mauritius.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations.

Any reference in this Offer Information Statement, the PAL, the ARE or the ARS to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the SFR or the Listing Manual or any amendment or modification thereof and not otherwise defined in this Offer Information Statement, the PAL, the ARE or the ARS shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA, SFR or the Listing Manual, or such amendment or modification thereof, as the case may be.

Any reference to a time of day in this Offer Information Statement, the PAL, the ARE or the ARS shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in figures included in this Offer Information Statement between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Offer Information Statement may not be an arithmetic aggregation of the figures that precede them.

Unless otherwise indicated, all information in this Offer Information Statement assumes that the Rights Issue is fully subscribed.

References in this Offer Information Statement to **“we”**, **“our”** and **“us”** refer to the Group or any member of the Group as the context requires.

EXPECTED TIMETABLE OF KEY EVENTS

The timetable below lists certain important dates and times relating to the Rights Issue. All dates and times referred to below are Singapore dates and times.

Shares trade ex-Rights	:	25 June 2009 from 9.00 a.m.
Books Closure Date	:	29 June 2009 at 5.00 p.m.
Despatch of the Offer Information Statement and the ARE or the PAL, as the case may be, to Entitled Shareholders	:	2 July 2009
Commencement of trading of "nil-paid" Rights	:	2 July 2009 at 9.00 a.m.
Last date and time for trading of "nil-paid" Rights	:	10 July 2009 at 5.00 p.m.
Last date and time for splitting Rights	:	10 July 2009 at 5.00 p.m.
Last date and time for acceptance of and payment for Rights Shares with Warrants	:	16 July 2009 at 5.00 p.m. (at 9.30 p.m. for Electronic Applications)
Last date and time for renunciation of and payment for Rights Shares with Warrants	:	16 July 2009 at 5.00 p.m.
Last date and time for application and payment for excess Rights Shares with Warrants	:	16 July 2009 at 5.00 p.m. (at 9.30 p.m. for Electronic Applications)
Expected date for issuance of Rights Shares and Warrants	:	24 July 2009
Expected date for commencement of trading of the Rights Shares	:	27 July 2009
Expected date for commencement of trading of the Warrants	:	28 July 2009

The above timetable is indicative only and is subject to change. As at the date of this Offer Information Statement, the Company does not expect the above timetable to be modified. However, the Company may, in consultation with the Joint Lead Managers and Joint Underwriters and with the approval of the SGX-ST, modify the above timetable subject to any limitation under any applicable laws. In such an event, the Company will publicly announce the same through a SGXNET announcement at the SGX-ST's website <http://www.sgx.com>.

SUMMARY OF THE RIGHTS ISSUE

The following is a summary of the principal terms and conditions of the Rights Issue (including the terms and conditions of the Warrants) and is derived from, and should be read in conjunction with, the full text of this Offer Information Statement, and is qualified in its entirety by reference to information appearing elsewhere in this Offer Information Statement.

The Rights Shares

- Number of Rights Shares with Warrants to be issued** : Based on the total number of issued Shares of the Company as at the Books Closure Date of 10,374,937,558 Shares, the Company will issue up to 1,763,739,384 Rights Shares, up to 705,495,753 Warrants and up to 705,495,753 New Shares arising from the exercise of the Warrants.
- Basis of provisional allotment** : The Rights Issue is made on a renounceable basis to Entitled Shareholders on the basis of 17 Rights Shares for every 100 existing Shares standing to the credit of the Securities Accounts of the Entitled Depositors or held by the Entitled Scripholders, as the case may be, as at the Books Closure Date, and two (2) Warrants for every five (5) Rights Shares subscribed, fractional entitlements to be disregarded.
- Issue Price** : S\$0.18 per Rights Share, payable in full on acceptance and/or application. The Issue Price represents a discount of 60.0% to the closing price of S\$0.45 per Share on the SGX-ST on 26 May 2009, being the last trading date immediately prior to the date of the Rights Issue Announcement and a discount of approximately 56.2% to the theoretical ex-rights price¹ (“**TERP**”) of S\$0.411 per Share.
- Purpose of Rights Issue** : The Rights Issue is undertaken to pro-actively strengthen the balance sheet, financial flexibility and competitive position of the Group to support the Group’s growth, both internally and externally. In addition, the issue of Warrants will provide the Group with additional liquidity three (3) years in the future if the Warrants are exercised on the Exercise Date and will better equip the Group to continue to expand organically as well as undertake any acquisition opportunities should they arise.
- Status of the Rights Shares** : The Rights Shares when allotted and issued, will rank *pari passu* in all respects with the then existing Shares and with each other for any dividends, rights, allotments or other distributions, the Record Date for which falls on or after the date of the allotment and issue of the Rights Shares.
- Estimated proceeds** : The estimated net proceeds from the Rights Issue (after deducting estimated expenses associated with the Rights Issue of approximately S\$6.4 million) will be approximately S\$311.1 million.

¹ The TERP is the theoretical market price of each Share assuming the completion of the Rights Issue, and is calculated based on the closing price of S\$0.45 per Share on the SGX-ST on 26 May 2009, being the last trading day of the Shares on the SGX-ST prior to the date of the Rights Issue Announcement, the gross proceeds from the Rights Issue and the number of Shares following the completion of the Rights Issue.

Assuming all the Warrants are exercised on the Exercise Date, the estimated proceeds arising from the exercise of all the Warrants will be approximately S\$381.0 million.

Eligibility to participate in the Rights Issue : Please refer to the Sections entitled “**Eligibility of Shareholders to Participate in the Rights Issue**” and “**Transfer and Selling Restrictions**” of this Offer Information Statement.

Listing and trading : In-principle approval has been obtained from the SGX-ST for the dealing in, listing and quotation of the Rights Shares, the Warrants and the New Shares on the Official List of the Main Board of the SGX-ST, subject to certain conditions.

In-principle approval granted by the SGX-ST and the dealing in, listing and quotation of the Rights Shares, the Warrants and the New Shares is not to be taken as an indication of the merits of the Group, the Rights Issue, the Shares, the “nil-paid” Rights, the Rights Shares, the Warrants or the New Shares.

Upon the listing and quotation of the Rights Shares, the Warrants and the New Shares on the Official List of the Main Board of the SGX-ST, the Rights Shares, the Warrants and the New Shares will be traded on the SGX-ST under the book-entry (scripless) settlement system. For the purposes of trading on the SGX-ST, each board lot of Shares and Warrants will comprise 1,000 Shares and 1,000 Warrants, respectively.

Acceptance, excess application and payment procedures : Entitled Shareholders will be at liberty to accept, decline or transfer their provisional allotments of Rights Shares with Warrants and are eligible to apply for additional Rights Shares with Warrants in excess of their provisional allotments under the Rights Issue.

Fractional entitlements to the Rights Shares with Warrants will be disregarded in arriving at the Shareholders’ entitlements and will, together with such Rights Shares with Warrants that are not validly taken up by Entitled Shareholders or their respective renounee(s) or Purchaser(s), any unsold “nil-paid” provisional allotments of Rights Shares with Warrants of Foreign Shareholders and any Rights Shares with Warrants that are otherwise not allotted for whatever reason, in accordance with the terms and conditions contained in the Offer Information Statement, the PAL, the ARE, the ARS and (if applicable) the Constitution of the Company, be aggregated and used to satisfy excess Rights Shares with Warrants applications (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. In the allotment of excess Rights Shares with Warrants, preference will be given to Shareholders for the rounding of odd lots and Directors and Substantial Shareholders will rank last in priority.

The procedures for, and the terms and conditions applicable to, acceptances, renunciations, splittings and/or sales of the provisional allotments of Rights Shares with Warrants and for the applications for excess Rights Shares with Warrants, including the different modes of acceptance or application and payment, are contained in Appendices E, F and G of this Offer Information Statement and in the PAL, the ARE and the ARS.

Irrevocable undertakings : As at the Latest Practicable Date, the Undertaking Shareholders, together with their respective nominees and custodians, directly hold an aggregate of 5,041,516,884 Shares, representing in aggregate approximately 48.59% of the total number of issued Shares.

The Undertaking Shareholders had on 27 May 2009, each irrevocably undertaken, *inter alia*, to subscribe and pay in full for their full entitlements of Rights Shares with Warrants representing an aggregate of 857,057,869 Rights Shares with Warrants, pursuant to the Rights Issue in accordance with the terms and conditions of the Rights Issue, on or before the Closing Date.

Please see paragraph 1(f) of the Section entitled “**Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 — Additional Information Required for Offer of Securities by Way of Rights Issue**” of this Offer Information Statement for more details.

Underwriting : The Underwritten Rights Shares are underwritten by the Joint Lead Managers and Joint Underwriters pursuant to the terms of the Management and Underwriting Agreement.

In consideration of the Joint Lead Managers and Joint Underwriters’ agreement to underwrite the Underwritten Rights Shares, the Company will pay an underwriting, management and selling fee of (a) 2.5% of the Issue Price multiplied by the Underwritten Rights Shares, plus any applicable GST, plus (b) 0.5% of the Issue Price multiplied by the total number of Rights Shares with Warrants which the Undertaking Shareholders have undertaken to subscribe for pursuant to the Irrevocable Undertakings, plus any applicable GST.

Please refer to paragraph 8 of the Section entitled “**Sixteenth Schedule of the Securities and Futures (Offer of Investments) (Shares and Debentures) Regulations 2005 — Key Information — Use of Proceeds from Offer and Expenses Incurred**” and paragraph 7 of the Section entitled “**Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 — The Offer and Listing — Plan of Distribution**” of this Offer Information Statement for more details.

The Warrants

- Number of Warrants** : Up to 705,495,753 Warrants to be allotted and issued free together with the Rights Shares subscribed.
- Basis of provisional allotment** : Two (2) Warrants for every five (5) Rights Shares subscribed, fractional entitlements to be disregarded.
- Exercise Price** : The Exercise Price for each Warrant shall be S\$0.54 per New Share.
- Lodgement Period** : In order to exercise the Warrants on the Exercise Date, the notice for exercise of the Warrants must be lodged during the period commencing at any time after 10.00 a.m. five (5) Business Days immediately preceding the Exercise Date but not later than 10.00 a.m. on the Exercise Date.
- Exercise Date** : The date falling on the third (3rd) anniversary of the date of issue of the Warrants, provided if such day falls on a date on which the Register of Members and/or the Register of Warranholders are closed or is not a Business Day, then the “**Exercise Date**” shall be the next Business Day on which the Register of Members and the Register of Warranholders are open.
- After the Exercise Date, any Warrants which have not been exercised will lapse and cease to be valid for any purpose. The expiry of the Warrants will be announced through a SGXNET announcement at SGX-ST’s website <http://www.sgx.com> and the notice of expiry will be sent to all Warranholders at least one (1) month before the Exercise Date.
- Exercise** : The Warrants may only be exercised on the Exercise Date, subject to the terms and conditions of the Warrants as set out in the Instrument. The procedure for exercise of the Warrants is described in Condition 4 of the terms and conditions of the Warrants as set out in the Instrument and in Appendix A of this Offer Information Statement.
- Form and subscription rights** : The Warrants will be issued in registered form and will be constituted by the Instrument. Subject to the terms and conditions of the Warrants as set out in the Instrument, each Warrant shall entitle the Warranholder, on the Exercise Date, to subscribe for one (1) New Share at the Exercise Price.
- Status of New Shares** : The New Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the Record Date for which falls on or after the date of the allotment and issue of the New Shares.
- Transfer and transmission** : The procedure for the transfer and transmission of the Warrants is set out in Appendix A of this Offer Information Statement and the terms and conditions of the Warrants are set out in the Instrument.

- Adjustments** : The Exercise Price and/or the number of Warrants to be held by each Warranholder will be subject to adjustment(s) under certain circumstances as set out in the Instrument. Any additional warrants issued pursuant to such adjustment shall rank *pari passu* with the Warrants and will for all purposes form part of the same series.
- Modification of rights of Warranholders** : The Company may, without the consent of the Warranholders but in accordance with the terms of the Instrument, effect any modification to the Warrants or the Instrument, which, in the opinion of the Company, is not materially prejudicial to the interests of the Warranholders, or which, in the Company's opinion, is to correct a manifest error or to comply with mandatory provisions of Singapore or Mauritius law; and/or effect any modification to the Warrants or the Instrument which, in the Company's opinion, is to vary or replace provisions relating to the transfer or exercise of the Warrants including the issue of the New Shares arising from the exercise thereof or meetings of the Warranholders in order to facilitate trading in or the exercise of the Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of the Company's securities on the Official List of the Main Board of the SGX-ST, provided that such modification is not materially prejudicial to the interests of the Warranholders.
- Any such modification will be binding on the Warranholders and will be notified to them in accordance with the terms and conditions of the Warrants as set out in the Instrument, as soon as practicable thereafter. Any material alteration to the terms and/or conditions of the Warrants after the issue thereof to the advantage of the Warranholders and prejudicial to Shareholders is subject to the approval of the Shareholders in members' meeting, except where the alterations are made pursuant to the terms and conditions of the Warrants as set out in the Instrument.
- Any alteration to the terms and/or conditions of the Warrants after the issue thereof must be approved by the SGX-ST, except where the alterations are made pursuant to the terms and conditions of the Warrants as set out in the Instrument.
- Winding-up** : If a resolution is passed for a members' voluntary winding-up of the Company, then:
- (i) if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the Warranholders, or some person designated by them for such purpose by way of a resolution passed by a majority of the Warranholders consisting of not less than three-fourths of the votes cast thereon (the "**Extraordinary Resolution**"), shall be a party and which shall have been approved or assented to by way of Extraordinary Resolution, the terms of such scheme of arrangement shall be binding on all the Warranholders and all persons having an interest in the Warrants; and

- (ii) in any other case, subject to the terms and conditions of the Warrants set out in the Instrument, the Warrantholders may elect to be treated as if they had exercised the Warrants immediately prior to the commencement of such winding-up and had been on such date the holders of the New Shares to which they would have been entitled pursuant to such exercise.

Subject to the foregoing, if the Company is wound up for any other reason, all Warrants which have not been exercised on the date of the passing of the resolution approving such winding-up shall lapse and cease to be valid for any purpose.

- Further issue of Shares** : Subject to the terms and conditions of the Warrants as set out in the Instrument, the Company shall be at liberty to issue Shares to Shareholders either for cash or as bonus distributions and further subscription rights upon such terms and conditions as the Company sees fit. However, the Warrantholders shall not have any participation rights in any further issues of Shares by the Company unless otherwise resolved by the Company in members' meeting.
- Warrant Agent** : B.A.C.S. Private Limited.
- Governing law** : Laws of Singapore.

SUMMARY OF THE BUSINESS OF THE GROUP

This summary highlights information contained elsewhere in this Offer Information Statement. This Summary does not contain all of the information that may be important to you before deciding to invest in the “nil-paid” Rights or Rights Shares with Warrants. You should read this entire Offer Information Statement carefully, including the financial statements and related notes appearing elsewhere in this Offer Information Statement, including the Section entitled “Risk Factors”, before making an investment decision.

The Group is one of the largest listed vertically integrated oil palm plantations and producers of crude and refined palm products in the world. The Group’s operations are mainly based in Indonesia where its primary activities include ownership and cultivation of oil palm plantations; processing of FFB into CPO and palm kernel; and refining CPO into industrial and consumer products such as cooking oil, margarine and shortening.

The Group also has operations in China and its principal activities include the ownership and operation of a deep-sea oil and grain port and storage facility, oilseed crushing and vegetable oil refining facilities that produce soybean oil, soy-based animal feeds, blended vegetable oils, margarine and shortening.

As at 31 March 2009, the Group cultivates approximately 396,000 hectares of oil palm plantations and also operates 33 palm oil mills, three (3) refineries and five (5) kernel crushing plants throughout Indonesia. In 2008, the Group produced approximately 1.7 million tonnes of CPO and approximately 383,000 tonnes of palm kernel, compared with approximately 1.6 million tonnes of CPO and approximately 359,000 tonnes of palm kernel in 2007. The Group’s palm oil mills have a total annual capacity of approximately 8.7 million tonnes of FFB.

Part of the Group’s CPO is processed further into value-added bulk and branded products through its refineries with a total capacity of approximately 1.1 million tonnes per annum. A significant portion of the Group’s palm kernel is crushed in its kernel crushing plants, with a capacity of approximately 369,000 tonnes per annum, producing higher-value palm kernel oil and palm kernel meal.

The Group’s China operations comprise a fully-integrated port, oilseed storage and processing, palm oil refining and vegetable oil trading operations. The strategic location of the Group’s China operations provides the key advantage of easy access to its target markets, enabling the Group to reduce transport cost. In Ningbo, Zhejiang Province, the Group has a deep-sea port and storage facility for oil and grains, and an oilseed crushing plant with approximately 1.0 million tonnes annual capacity. The Group also has refining facilities in Ningbo and a refining plant in Zhuhai, Guangdong Province with annual capacity of approximately 280,000 tonnes and 100,000 tonnes, respectively. The oilseed crushing operations produce soybean meal, which is sold domestically under the Group’s in-house brand, and crude soybean oils, which are, in turn, processed by the refineries together with other edible oils. These refined oils and value-added products such as margarine, shortening and butter oil substitute, are sold in bulk and in consumer packs.

For FY2008, the Group had total revenue of approximately US\$3.0 billion and a net profit attributable to the equity holders of the Company of approximately US\$1.4 billion. For 1Q2009, the Group had total revenue of approximately US\$412.2 million and a net profit attributable to the equity holders of the Company of approximately US\$8.6 million.

RISK FACTORS

You should carefully consider all the risks described below before making an investment decision. You should pay particular attention to the fact that the majority of the Group's operations are in Indonesia and are governed by a legal and regulatory environment which in many respects may differ from those which prevail in other countries. The risks described below are not the only ones relevant to the Group, the "nil-paid" Rights, the Rights Shares, the Warrants or the New Shares. Additional risks not presently known to the Company or that the Company currently deems immaterial may also impair business operations. The Group's business, operations, revenue, cashflow, results and financial position could materially and adversely be affected by any of these risks. In any of such events, you may lose all or part of your investment.

*This Offer Information Statement contains forward-looking statements relating to events that involve risks and uncertainties. Please refer to the Section entitled "**Cautionary Note on Forward-Looking Statements**" of this Offer Information Statement.*

Risks Relating to the Group

Any prolonged or significant disruption to the Group's production facilities may affect the Group's results of operations

The Group faces a number of operational risks at the Group's plantations and processing facilities. Outages or extended downtime at the Group's processing facilities could cause the Group to be unable to process its harvested fruit bunches, either at all or within a short period of time, which could lead to a loss of product or diminished product quality.

Similarly, the Group's plantations and processing facilities, are also subject to a number of risks, such as fires, explosions, natural disasters, third-party interference, disruptions of utility services, war or terrorism, communal unrest and mechanical failures of equipment. These hazards could also result in environmental pollution, personal injury or wrongful death claims and other damage to the Group's properties or the properties of others. The processing facilities may require unscheduled downtime or unanticipated maintenance, which could reduce the Group's revenue and increase its costs during the affected period.

Any prolonged and/or significant disruption to the Group's production facilities or inventories will adversely affect the Group's business, financial position, results of operations and prospects.

The Group faces political, economic and social risks in the countries in which the Group operates

The Group's operations are largely carried out in the developing countries of Indonesia and China. There is no assurance that events, some of which may lead to political, social and civil disturbances, will not occur in these countries in the future and on a wide scale, or that any of those disturbances will not, directly or indirectly, have a material adverse effect on the Group's business, financial position, results of operations or prospects. Further, future economic conditions in Indonesia and China such as, among others, volatility of the local currency, inflation, negative economic growth, high interest rates and unfavourable governmental policies may have an adverse impact on the Group's business in Indonesia and China which may, directly or indirectly, have a material adverse effect on the Group's business, financial position, results of operations and prospects.

Terrorist acts may occur in the future. Violent acts arising from, and leading to, instability and unrest have in the past had, and may in future have, a material adverse effect on investment and confidence in, and the performance of, the Indonesian and Chinese economy and may have a material adverse effect on the Group's business, financial position, results of operations and prospects.

The results of the Group's operations are affected by Indonesian export taxes

In 1994, the Indonesian government imposed an export tax on the export of CPO, refined bleached deodorised (“**RBD**”) olein, crude olein and palm oil-based cooking oil. The Indonesian government stated that it was imposing these export taxes to control the selling price of RBD olein in the domestic market which had been increasing due, in part, to increases in the world market price for these products. The depreciation of the Rupiah in 1997 and early 1998 also caused significant increases in the domestic price of RBD olein and made the export of palm oil-based products comparatively more profitable. As a result, in December 1997, the Indonesian government imposed an export ban on these products. This ban was fully lifted in April 1998. However, the Indonesian government has continued to regulate the exports of CPO and related palm oil-based products through the use of export taxes. The current export taxes ranges between 0% and 40%. In addition to, or in lieu of, the export tax regime, the Indonesian government may impose certain domestic market obligations whereby the Group's Indonesian subsidiaries may be required to sell a portion of their products in the domestic market.

Higher export tax rate and export restrictions have discouraged Indonesian oil palm companies from exporting their products, resulting in increased domestic supply and lower domestic prices for these products. This, in turn, will adversely affect the Group's ability to export its products and the prices it can charge for its products in Indonesia.

If the Indonesian government increases the export tax level, reinstates the export restrictions or otherwise limits, restricts or prohibits the export of crude and other palm oil-based products or the Group is forced to agree to a voluntary quota or to otherwise limit the Group's exports of CPO and palm oil-based products, the Group's export sales and the prices which the Group can charge in the Indonesian market will be adversely affected.

The Group may not be able to continue to use, renew or expand some of its land rights

Decree of the Ministry of Agriculture of the Republic of Indonesia (the “**Agriculture Ministry**”) No. 357/Kpts/HK.350/3/2002 (“**Decree 357/2002**”) and Decree of the State Minister for Agrarian Affairs/the Head of Land National Agency of the Republic of Indonesia (the “**Land Ministry**”) No. 2/1999 (“**Decree 2/1999**”) both stipulate that a group of companies engaging in the oil palm plantation business in Indonesia may only acquire up to 20,000 hectares of land in one province or 100,000 hectares of land for the whole of Indonesia. Decree 357/2002 was amended by Decree of the Agriculture Ministry No. 26/Permentan/OT.140/2/2007 (“**Decree 26/2007**”) which increases the above threshold such that any one (1) company engaging in the oil palm plantation business in Indonesia may acquire up to 100,000 hectares (except in the Papua province where the maximum threshold is 200,000 hectares).

This amendment by the Agriculture Ministry is yet to be followed by an amendment of Decree 2/1999 by the Land Ministry. As a result, there is an inconsistency with regards to obtaining land rights (which falls under the auspices of the Land Ministry) and obtaining plantation business licence (which falls under the auspices of the Agriculture Ministry). Land rights for plantation are obtained in three (3) stages, namely *Ijin Lokasi* (i.e. location permit), *Panitia B*, and *Hak Guna Usaha* (i.e. right to cultivate).

All of the Company's Indonesian subsidiaries are in compliance with the Decree 26/2007 with regards to the maximum landholding threshold. Even though there is currently an inconsistency between Decree 2/1999 (issued by the Land Ministry) and Decree 26/2007 (issued by the Agriculture Ministry), the Group believes that these two ministries will liaise with each other and a new unified policy by the Indonesian government will be issued in the future. As long as Decree 2/1999 is not yet amended to reflect the new maximum landholding stipulated in Decree 26/2007, the Group may be deemed to be in breach of such regulation. Decree 2/1999 does not stipulate a specific penalty or sanction for any breach thereof, but it does stipulate that *Ijin Lokasi* already granted prior to the issuance thereof may be implemented only after its area is adjusted to the maximum landholding stipulated in Decree 2/1999. As a result, the Indonesian government may decide not to proceed to *Panitia B* or to issue *Hak Guna*

Usaha upon expiration of the Group's *Ijin Lokasi*, and/or may let the Group's *Ijin Lokasi* lapse. Decree 2/1999 does not specifically regulate *Panitia B* and *Hak Guna Usaha*.

The Group has been granted *Hak Guna Usaha* land rights to approximately 251,000 hectares of the Group's plantations by the Indonesian government for a maximum term of 35 years and this can be extended and renewed up to 60 additional years. These land rights expire between 2015 and 2098, with most of the Group's land rights expiring after 2020. On 26 April 2007, the Indonesian parliament passed Law No. 25 of 2007 on Investments (the "**New Investment Law**") which among others allows *Hak Guna Usaha* to be granted for a total of 95 years (consisting of a 60-year initial period and a 35-year extension period). There is currently no implementing regulation issued for this New Investment Law and therefore it remains to be seen what the procedure is for this 95-year *Hak Guna Usaha* to be granted.

In addition, as at 31 March 2009, the Group holds land rights in the form of *Ijin Lokasi* to approximately 197,000 hectares. *Ijin Lokasi* is a land right granted by the Indonesian government and is less than the full rights over the use of the lands represented by *Hak Guna Usaha*.

The Group believes that it has complied with all relevant requirements in relation to the plantations and will take all necessary steps to ensure that its land rights for such plantations are extended. The Group believes that it will be permitted to continue to renew its *Ijin Lokasi* and to use the land covered by those rights even though *Hak Guna Usaha* may not be issued. The Indonesian government may, however, not permit the Group to continue to use the land for which it holds *Ijin Lokasi* or may not permit the Group to renew these rights upon their expiration. Additionally, changes in circumstances may occur which delay or prevent the Group from obtaining extensions.

Competition for plantation land in Indonesia and uncertainty regarding Government Zoning Regulations may adversely affect the Group's business

Land in Indonesia is subject to government zoning regulations. The Indonesian government assigns undeveloped land for particular uses, including use for oil palm plantations. An entity wishing to use land for a particular purpose must first receive the *Ijin Lokasi*, according to which the land would be zoned for that specific use. After receipt of the *Ijin Lokasi*, the entity must purchase the land from the current owner, and once it owns the land, it may apply for *Hak Guna Usaha*, which would permit the particular use of the land, including operation of an oil palm plantation. The Group is in possession of land that is in different stages of the regulatory processes described herein.

The regional government is responsible for allocating undeveloped land in consultation with other related government agencies including the Department of Forestry and the Department of Energy and Mineral Resources of the Republic of Indonesia. Due to the difficulties in producing accurate maps, the regional government may assign overlapping or competing location permits for different uses for the same area of land. In addition, the zoning regulations assign areas of undeveloped land without taking into account the existence of protected areas such as woodlands. There is a risk that the Group may be assigned *Ijin Lokasi* for land which contains protected areas that the Group is unable to use for planting or for land for which there are already competing and conflicting *Ijin Lokasi*. Such conflicts would prevent the Group from fully utilising the land. In such an event, the Group would have to seek additional regulatory approvals, and there can be no assurance that such approvals would be granted.

The Group faces risks relating to expansion of its operations and its plantations, including diversification into new business initiatives

The Group intends to expand its production and oil palm plantation operations, access new markets, broaden its product mix and lower production costs. Over the long term, the Group may also explore diversifying, for example, into other agri-related businesses including higher value downstream products.

These expansion plans involve various risks which could adversely affect the Group's business, including planting, engineering, construction, regulatory, financial and other significant risks that may delay or prevent the successful completion or operation of these projects or significantly increase costs. There is no assurance that any new business initiatives will contribute positively to the Group's business. For instance, the following events may occur, which may adversely affect the Group's expansion plans:

- government policies could limit the Group's ability to obtain additional land suitable for plantations;
- there may be insufficient availability of planting material;
- new or expanded plantations may not be able to produce crops at expected production levels or may cost more to cultivate and harvest than expected;
- the Group may not be able to complete the expansion projects on time or within budget;
- the Group's expanded refinery and processing plants may not be able to operate at expected production levels or may cost more to operate than expected;
- the Group may not be able to sell additional production output at competitive prices;
- there may be changes in regulation and failure to obtain necessary governmental and other relevant approvals;
- the Group may not be able to successfully integrate the new business initiatives into the Group's existing operations; and
- there may be changes in market conditions.

Any of these factors could have a material adverse effect on the Group's business, financial position, results of operations and prospects.

Labour activism and unrest or failure to maintain satisfactory labour relations may affect the Group's business

Operations on the Group's plantations in Indonesia, and in its refineries in Indonesia and China, are labour intensive. Labour activism and unrest could accordingly disrupt the Group's operations and adversely affect the business, financial position, results of operations and prospects of the Group.

The Group is exposed to changes in consumer dietary preferences and significant competition from other companies and products

The palm oil-based product businesses, especially branded products, are highly competitive. The Group's competitors are constantly developing more advanced production technology and product formulation in order to gain additional market share and a competitive edge and the Group has to constantly monitor its competitors and enhance its product quality to stay competitive in the industry. In addition, palm oil producers also face stiff competition from substitute oils such as soybean oil and rapeseed oil. Certain countries also promote the farming and consumption of other edible oils, such as soybean oil, through subsidies.

The Group's competitors include edible oil companies of various sizes, some of which have greater financial resources and have been in the industry for a longer time. Certain of the Group's competitors have established relationships with some of the Group's current or potential customers, which could make it more difficult for the Group to increase its sales base in the future. Due to the size of the industry, the Group's production volumes have been, and will continue to be, small by comparison to

overall world production. If the Group's existing market share is reduced or if the Group has to reduce its margins as a result of competition, this could materially and adversely affect the Group's business, financial position, results of operations and prospects.

The edible oils business is also characterised by frequent changes in consumer preferences. Consumers in the markets which the Group serves are increasingly becoming more health-conscious and may select edible oils based on considerations other than price and taste. The Group's success will depend on its ability to anticipate and respond to the competitive factors affecting the industry, including the introduction of new products, pricing policies of its competitors, changing consumer preferences and the prices of alternative edible oils and regional and local economic conditions.

The Group's competitors in respect of the soybean oil, palm oil and soybean meal product markets are mainly foreign-owned oilseed crushing companies and vegetable oils refiners although, to a certain extent, a few local crushers in China also compete in such markets. Whereas the large vegetable oil consumption in East China can absorb all of the Group's soybean oil and palm oil products, the competition is more intense in the soybean meal product market. Such competition may put pressure on soybean meal prices and increase the cost of sales and marketing and this could have a material and adverse impact on the profitability of the Group.

The Group may be adversely affected by the imposition and enforcement of more stringent environmental regulations and the actions of environmental groups

The Group is subject to a variety of laws and regulations that promote environmentally and socially sound operating practices. The Group's principal environmental concerns relate to the discharge of effluent resulting from the milling of FFB and the refining of edible oils and land and forest clearance for plantation development. The Group's principal social concern relates to possible conflicts with local communities around its plantations. Any environmental claims or the failure to comply with any present or future regulations could result in the assessment of damages, the imposition of fines or the suspension or cessation of the Group's operations.

Environmental regulations and social practices in the countries in which the Group operates tend to be less stringent than in developed countries. It is possible that these regulations could become more stringent in the future and could require the Group to incur additional costs in order to comply with such regulations and consequently have an adverse effect on the Group's operations and financial position. Any failure to comply with the laws and regulations could subject the Group to liabilities. Certain environmental groups have also alleged that various oil palm plantations in Indonesia are engaged in detrimental environmental activities. If the Group's customers cease to purchase the Group's products either as a result of their own internal environmental policies or as a result of pressure from these environmental groups, the Group's business, financial position, results of operations and prospects may be adversely affected.

Indonesian and Chinese government environmental agencies have the power to take action against the Group for failure to comply with applicable environmental regulations, including imposing fines and revoking licences. In recent years, both governments have been placing greater importance on environmental measures that may affect the Group's business.

The Group is exposed to risks relating to health and hygiene and potential product liabilities

The business of food production is subject to regular inspections and periodic checks by the relevant authorities in Indonesia and in China. Governmental authorities may withdraw or suspend the Group's licences or activities or impose penalties on the Group if it fails to meet the standards set by them. If the edible oils produced by the Group are found to be unfit for consumption or if any epidemic is traced to the Group's products, it may be subject to compensation proceedings. In the event of any successful proceedings stemming from the aforementioned, the Group's business and profitability may be adversely affected. In addition, if such incidents are publicised and result in any food scares relating to

the Group's products, the Group may face a loss of confidence and goodwill from consumers which could lead to reduced sales, thus adversely affecting its profitability.

The Group does not have any product liability insurance and it may be liable if the consumption of any of its products causes injury, illness or death. The Group may also have to recall its products if they become contaminated, damaged or are mislabelled. Any significant product liability finding against the Group or a widespread product recall could have a material adverse effect on the Group's financial position, results of operations and prospects.

Delays in issuance of import certificates may affect the Group's profitability

According to the genetically modified organism ("GMO") policy of China, which has been in place since the first quarter of 2002, overseas firms exporting GMO products into China must apply for GMO certificates from the China Ministry of Agriculture stating, among other things, that the goods are harmless to humans, animals or the environment. The China Ministry of Agriculture has up to 270 days to grant such certificate for first time applicants. This import regulation covers soybean imports from North and South America, most of which are biologically engineered. The Group has, in the past, experienced disruption in its production process caused by delays in the issuance of GMO certificates because samples of soybeans failed to meet minimum pesticide levels.

Pesticide residue limits in China have been tightened and, in 2004, resulted in delays in the soybean imports from South America to China. As a consequence, a ban on contaminated soybeans originating from South America was imposed resulting in the GMO certificates not being granted. To mitigate the risk of a shipment of soybeans spoiling as a result of unloading delays in China, soybean exporters now also require the Group to post security and/or obtain letters of credit for a shipment, which increases the Group's costs and may adversely affect the Group's results of operations and prospects, and which may also result in a default on the security and/or letter of credit being called upon if a shipment is refused or delayed.

Any delay in the issuance of import certificates, such as the GMO certificate, experienced by the Group may have an adverse impact on the Group's business, financial position, results of operations and prospects.

The Group is exposed to the risk of small landholders defaulting on repayment of the loans extended or guaranteed by the Group under the Plasma Program

In accordance with the Indonesian government's policy, oil palm plantation companies, like the Group, are encouraged to develop new plantations that will be operated by local small landholders. This assistance to local small landholders generally takes the form of a "Plasma Program". Under a majority of the Plasma Programs in which the Group participates, small landholders are required to sell their FFB to the Group and a portion of the amounts payable by the Group to the small landholders for such FFB are (i) paid directly by the Group to the banks which have provided financing to such small landholders for the financing of the development cost of their plantations to reduce or repay the outstanding amounts they owe; or (ii) applied to offset outstanding amounts under the advances provided by the Group to such small landholders after full repayment of the outstanding amounts to the banks has been made.

There is no assurance that the small landholders will not default on their obligations to sell FFB to the Group and this may result in them defaulting on their loan repayments to the banks and/or the Group. In such event, guarantees which have been provided by the Group to the banks to secure the loans of the small landholders may be called upon by the banks. Any material default by such small landholders on their obligations to the banks and/or the Group may have an adverse impact on the Group's business, financial position, results of operations and prospects.

The Group is exposed to fluctuations in interest rates

The Group has borrowings (including hire-purchase liabilities), most of which are with floating interest rates and some of which are secured against the Group's assets. An increase in interest rates would increase borrowing costs and adversely affect the Group's profitability. Any significant increase in interest rates, especially for a prolonged period, could have a material adverse effect on the Group's business, financial position, results of operations and prospects.

The Group is exposed to foreign exchange risk

The majority of the Group's revenue is denominated in US Dollar, with the balance denominated in either Rupiah or RMB with reference to US Dollar prices, whereas most of the Group's costs are in Rupiah with the balance predominantly in US Dollar. To the extent that there is a discrepancy in currency between revenue and expenditure, the Group is exposed to foreign exchange risk. For example, for the Group's oil palm plantation business, any significant appreciation of the Rupiah against the US Dollar is likely to have a material adverse impact on the Group's business, financial position, results of operations and prospects. On 21 July 2005, the RMB was unpegged from the US Dollar and pegged against a basket of currencies on a "managed-float currency regime". There is no assurance that China's foreign currency policy will not be altered any further. Further changes in China's foreign currency policies may result in changes in the exchange rates of RMB against the US Dollar and thus have an impact on the Group's business, financial position, results of operations and prospects.

The Group depends on the services of its senior executives and managers, and if the Group is unable to retain its senior personnel or attract suitable replacements, the Group's business could be affected

The Group believes that its continued success is dependent on the abilities and continued efforts of its existing directors and senior management. The Group has an experienced management team and the continued success of the Group's business and its ability to execute its business strategy in the future will depend on the efforts of its key personnel. In particular, the Group's key personnel play an important role in maintaining business relationships with the Group's customers and charting the Group's overall business strategy. Competition for such key personnel is intense in the industry and the loss of any key personnel could have a material adverse effect on the Group's business, financial position, results of operations and prospects. The Group's key personnel may voluntarily serve notice of termination of their employment at any time.

The Group may require additional funding in the future

The Group may, from time to time, pursue business opportunities that the Group deems favourable to its future growth and prospects. To the extent that funds generated from operations are insufficient, the Group will need to obtain additional debt and/or equity funding to finance the pursuit of such opportunities. The Group's working capital and capital expenditure needs may also vary materially from those presently planned and this may also result in the need for substantial new debt and/or equity funding.

Further issues of securities may lead to a dilution in the equity interests of Shareholders in the Company. Further debt financing may, apart from increasing gearing and interest expense, contain restrictions on dividend payments, future fund raising ability and other financial and operational matters. Additionally, there can be no assurance that the Group will be able to obtain any additional funding, whether equity or debt, at commercially reasonable terms, or at all.

The Group may face difficulty in securing financing from banks because of legal lending limits imposed by Bank Indonesia on Indonesian banks and, in the case of international banks, the fact that the Group's assets are primarily located in Indonesia

The Group has in the past experienced, and may in the future continue to experience, difficulties in securing sufficient funds necessary to implement its business strategies and fund its capital expenditure and working capital requirements. In Indonesia, only a limited number of banks can consistently extend credit to the Group for the large amounts that the Group sometimes requires due to the capital adequacy restrictions imposed by Bank Indonesia which limit the amount of funds that can be loaned to a single group of companies. This difficulty is compounded by the fact that under Bank Indonesia capital adequacy requirements, as well as the lending policies of individual banks, which may be stricter than the minimum Bank Indonesia capital adequacy requirements, the Group is grouped together with businesses of other Widjaja family members and treated for capital adequacy purposes as a single borrowing unit. This effectively means that the availability of funding to the Group also depends on the amounts borrowed by other Widjaja family members' businesses.

International banks may be reluctant to lend to the Group because most of the Group's assets are in Indonesia. Foreign creditors have in the past experienced difficulties in enforcing security and foreign judgments in Indonesia against companies that have defaulted.

The Group may be adversely affected if the Group's customers default on their payment to the Group

The Group is exposed to the credit risk of its customers. Any deterioration in the financial positions of the Group's customers may materially and adversely affect the Group's profits and cash flow as these customers may default on their payments to the Group. This impact will be greater in an economic downturn, when more of the Group's customers may experience cash flow difficulties or face the possibility of liquidation. This will result in the Group experiencing delays in receiving payments for its products or in more severe cases, not receiving payments for its products at all. As a result of customers defaulting on payments, the Group would have to make provisions for doubtful debts or to incur debt write-offs, which may have an adverse impact on the Group's profitability.

The Group's operations are subject to fluctuations in freight and other transportation costs and disruptions in transportation

The Group depends upon ships to deliver its products to customers. Disruption of these transportation services because of weather-related problems, problems with transportation infrastructure, strikes, lock-outs or other events could impair the Group's ability to supply products to customers or could result in the Group incurring demurrage claims by ship owners for loading delays and, thus, could materially and adversely affect the Group's business, financial position, results of operations and prospects.

Freight and other transportation costs also represent a significant portion of the total cost of the Group's products purchased by its customers and, as a result, the cost of freight and transportation is a critical factor in the customers' purchasing decisions. Depending on the proximity of the Group's competitors to a target market, increases in freight and other transportation costs could make the Group's products less competitive than those of its competitors. Any significant increases in freight costs could result in the Group's products being less competitive and could materially and adversely affect the Group's business, financial position, results of operations and prospects.

The Group's insurance coverage may not adequately protect the Group against possible risk of loss

The Group maintains various insurance coverage for its equipment, machinery, storage tanks, ships, cargo, road tankers and other infrastructure, including but not limited to insurance coverage for the Group's oil palm plantations and losses from plant disease and natural disasters including volcanic eruptions, plantation fires and earthquakes. However, the Group's insurance coverage may exclude from coverage, or be insufficient to cover, losses arising in certain circumstances, for example, losses from business interruptions. Any such losses not otherwise recoverable by insurance may adversely affect the Group's business, financial position, results of operations and prospects.

An outbreak of infectious diseases may have an adverse effect on the Group

In April and May 2009, outbreak of Influenza A (H1N1-2009) occurred in several countries around the world. An outbreak of infectious diseases such as Influenza A (H1N1-2009), if uncontrolled, could have a material adverse effect on the economies of certain countries, the Group's customers and the Group's operations. In the event that any of the Group's employees or the employees of its suppliers and/or customers is infected with such diseases, the Group, its suppliers and/or customers may be required to temporarily shut down their operations to prevent the spread of the disease. This would have a negative impact on the Group's business, financial position, results of operations and prospects.

The Group's inability to uphold its intellectual property rights and protect its trade secrets may adversely affect the Group

The Group's success will depend on its awareness of and its ability to prevent third parties from using the Group's current and future brands, the Group's intellectual property rights therein and its trademarks or designs without the Group's consent. In this connection, the Group could incur substantial costs in pursuing such claims or protecting the Group's trademarks and/or designs and may have to divert significant effort of its technical and management personnel. Failure to do so could result in loss of the Group's rights to develop or make certain products or require the Group to pay monetary damages or royalties to licence proprietary rights from third parties. Issues relating to intellectual property rights can be complicated and there is no assurance that disputes will not arise or will be resolved in the Group's favour.

The Group also relies on trade secrets, such as the formulae for the Group's products and proprietary know-how not protected by patents or trademarks, and continuing technological innovation that the Group seeks to protect, in part by confidentiality agreements with suppliers, employees and consultants. In addition, access to the Group's trade secrets and formulae is strictly restricted to top management. The Group cannot assure that its trade secrets and proprietary know-how will not be compromised as a result of breaches of confidentiality agreements or otherwise become known or be independently developed by its competitors or that the Group will be able to maintain the confidentiality of information relating to new products arising from the Group's research.

There may be difficulty with effecting service of process or enforcing certain judgments on the Group

The Company is a limited liability company incorporated in Mauritius and its Shares are listed on the SGX-ST in Singapore. All of the Group's significant operating assets are located in Indonesia or China. In addition, most of the Group's directors reside in Mauritius, Indonesia or Singapore. As a result, it may be difficult for investors to effect service of process, including judgments, on the Group or its directors, outside Mauritius, Indonesia or China, or to enforce against the Group or its directors outside judgments obtained in courts which are not Mauritian, Indonesian or Chinese courts.

The recognition and enforcement of foreign judgments of China, Indonesia and Singapore courts obtained against the Group or its directors or officers predicated upon the civil liability provisions of the securities laws of China, Indonesia and Singapore are subject to several procedural and substantial limitations. In particular, a foreign judgment will not be recognised and enforced in Mauritius if the foreign court did not have jurisdiction to hear the case or did not apply the proper law applicable. In addition, the judgment debtor must have been given a chance to defend the proceedings. The foreign judgment must also still be valid and capable of execution in the jurisdiction of that foreign court and must not be in breach of any rule of procedural or substantive public order applicable in Mauritius.

Currently, there are no treaties providing for reciprocity arrangements between Mauritius and China or Indonesia or Singapore for the recognition or enforcement of China, Indonesia or Singapore court judgments, respectively, in Mauritius.

Risks Relating to the Group's Industry

Inherent business risks in the plantation and palm oil-based product industries may affect the Group's business

The Group is subject to risks inherent to the plantation industry. These include, but are not limited to, changes in the global, regional and national economies, in particular the Indonesian economy, the Chinese economy, the entry of new players into the market, the outbreak of pests and diseases, changes in law and tax regulations affecting palm oil, increases in production costs, and changes in business and credit conditions.

The Group is also subject to risks inherent to the palm oil-based product industry. The demand for palm oil-based products is dependent on the overall growth of the manufacturing, retail and food industries and the Group is subject to the inherent risks in these respective sectors. These risks include changes in general economic conditions, inflation and changes in business conditions.

The Group's ability to mitigate these risks depends on various factors, including its ability to keep abreast with the latest developments in the industry, and its ability to effectively implement business strategies. There can be no assurance that the Group will be able to successfully mitigate these risks or that the Group will be successful in implementing its strategies. If the Group is not able to do so, its business, financial position, results of operations and prospects would be materially and adversely affected.

Prices of the Group's products fluctuate depending primarily on international prices

Prices for the Group's products are based upon or affected by international prices for these products. International prices for the Group's products are affected by a number of factors, including changes in:

- the supply and demand levels for these products and those of substitute oils, in particular, soybean oil;
- world production levels of CPO and other vegetable oils, which tend to be affected principally by global weather conditions and area of land under cultivation;
- world consumption and stock levels of CPO and other vegetable oils; and
- the world economy in general.

As in the case of many commodity prices, CPO prices have in the past been characterised by a high degree of volatility and cyclicity. CPO prices generally follow the price trends of other vegetable oils, particularly soybean oil. In the last five (5) years, CPO prices (CIF Rotterdam) on the Rotterdam market have ranged from a high of US\$1,407.5 per tonne in March 2008 to a low of US\$397.5 per tonne in August 2005.

Taxes and other factors, such as Indonesian export taxes and other government regulations, also affect the prices at which the Group can sell its products domestically.

Further, movements in the international market prices for CPO could materially affect the Group's business, financial position, results of operations and prospects, including changes in the fair value of the Group's biological assets (oil palm plantations) under the Group's accounting policy. Such losses and/or gains from the changes in fair value of plantations have been an important factor in arriving at the Group's reported net profit for each of the three (3) years ended 31 December 2006, 2007 and 2008.

Fluctuations in the price and supply of raw materials may affect the Group's business

Fluctuations in the price and supply of raw materials which include fertiliser, soybeans and fuel may affect the Group's business. The prices and availability of raw materials may be affected by factors such as changes in their global demand and supply, the state of the global economy, inflationary pressure, environmental regulations, tariffs, natural disasters, forest fires, weather conditions and labour unrest. Any significant fluctuation in the prices and availability of such materials may significantly increase the Group's cost of sales, which in turn may adversely affect the Group's business, financial position, results of operations and prospects.

The Group may be adversely affected by downturns in harvesting FFB due to adverse weather conditions

The Group's FFB yield is dependent on weather conditions. Excessive rainfall or extended periods of dry weather will lead to a decrease in the overall yield of FFB from the Group's estates. Excessive rainfall will generally lead to poor pollination of palms, decrease the effectiveness of fertilisers and affect harvesting, while drought results in oil palm plantations forming fewer fruit bunches and could also result in fire outbreaks on the plantations. The Group's plantations have been affected by droughts in Indonesia caused by the El Nino weather phenomenon and longer than usual periods of heavy rainfall in certain regions, which caused delays to the Group's fertilising schedules and lower yields.

The Group has implemented various measures to reduce the impact of weather conditions on its plantations, including the construction of drainage and irrigation systems and roads and the establishment of certain planting patterns. However, there can be no assurance that any of these measures will be effective. Historically, CPO prices typically increase when supply is adversely affected by weather conditions, thereby reducing the impact of the decrease in supply. However, there can be no assurance that this will always occur. Any poor weather conditions, especially if continued for a prolonged period, could materially and adversely affect the Group's business, financial position, results of operations and prospects.

Import tariffs, taxes and other restrictions imposed by other countries may affect demand for the Group's products

Import tariffs and taxes and other import restrictions imposed by importing countries can affect the demand for CPO and its derivative products, and can encourage substitution of other vegetable oils. If importing countries ban imports of CPO from Indonesia or tax competing substitute products, such as soybean oil, at a lesser tax rate, the competitiveness of imported CPO and its derivative products could be adversely affected, which can affect the demand for and the price of the Group's products.

Risks Relating to Indonesia

The anti-monopoly legislation in Indonesia may be used against the Group

In 1999, Indonesia enacted anti-monopoly legislation which prohibits a variety of practices considered to be anti-competitive or monopolistic. The legislation focuses on the behaviour of competitors within a market and the structural characteristics of a market. Although market share is considered one of the indicators that a monopoly or unfair competition exists, it is not the only factor and there is uncertainty in the interpretation of markets and market shares. The Group has a significant share of the domestic market for branded edible oils and fats in Indonesia. However, branded edible oils and fats constitute only a small proportion of the total edible oils and fats consumed in Indonesia. The Indonesian authorities (i.e. *Komisi Pengawas Persaingan Usaha* or the Business Competition Supervisory Commission) may also focus on the vertical integration of the Group's operations which they may deem to create an unfair advantage. As at the date hereof, the Indonesian authorities have not taken any action against the Group for the breach of any anti-monopoly legislation nor is the Group aware of any such action which is threatened or pending against it. However, there is no assurance that the Group will not be subject to actions by the Indonesian authorities to enforce (in whatever form) their anti-monopoly legislation on the Group's business. If any proceedings are taken or threatened against the Group under this legislation, the Group may incur significant legal and other costs in defending against such actions and any unfavourable ruling against the Group in this respect could adversely affect its business, financial position, results of operations and prospects.

The Group operates in a legal system in which the application of various laws and regulations may be uncertain

As Indonesia is a developing market, its legal and regulatory regime may be less certain than in more developed markets and may be subject to unforeseen changes. At times, the interpretation or application of laws and regulations may be unclear and the content of applicable laws and regulations may not be immediately available to the public. Under such circumstances, consultation with the relevant authority in Indonesia may be necessary to obtain a better understanding or clarification of applicable laws and regulations.

Indonesian legal principles, or their practical implementation by Indonesian courts, differ materially from those that would apply within the United States or the European Union. Indonesia's legal system is a civil law system based on written statutes. Judicial and administrative decisions do not constitute binding precedent and are not systematically published. Indonesia's commercial and civil laws were historically based on Dutch law in effect prior to Indonesia's independence in 1945, and some of these laws have not been revised to reflect the complexities of modern financial transactions and instruments. As such, there may be uncertainty in the interpretation and application of Indonesian legal principles to complex, modern financial transactions and instruments. The application of Indonesian laws depends upon subjective criteria such as the good faith of the parties to the transaction and principles of public policy, the practical effect of which is difficult or impossible to predict. Indonesian judges operate in an inquisitorial legal system and have very broad fact-finding powers and a high level of discretion in relation to the manner in which those powers are exercised. As a result, the administration and enforcement of laws and regulations by Indonesian courts and Indonesian governmental agencies may be subject to considerable discretion and uncertainty.

The breach of any law or regulation in Indonesia by the Group may have a material adverse effect on the Group's business, financial position, results of operations and prospects.

Indonesia is located in an earthquake zone and is subject to significant geological risk which could lead to social unrest and economic loss

The Indonesian archipelago is one of the most volcanically active regions in the world. Because Indonesia is located in the convergence zone of three (3) major lithospheric plates, it is subject to significant seismic activity that can lead to destructive earthquakes and tsunamis, or tidal waves. On 26 December 2004, an underwater earthquake off the coast of Sumatra released a tsunami that devastated coastal communities in Indonesia, Thailand and Sri Lanka. In Indonesia, more than 173,000 people died or were recorded as missing in the disaster. Aftershocks from the tsunami have also claimed casualties. On 27 May 2006, a strong earthquake struck off the coast of Central Java, killing over 5,000 people and causing widespread damage. Since 2001, and as recently as May 2006, Mount Merapi, a volcano near densely populated areas of Java has shown signs of increased activity. In response, Indonesian authorities have evacuated large numbers of villages in the vicinity. However, these events have not affected the Group's operations in Indonesia. The Group's plantations and processing facilities are spread out over many locations in Indonesia and there has been no single natural disaster that affected all of Indonesia.

There can be no assurance that future geological occurrences will not significantly impact the Indonesian economy. A significant earthquake or other geological disturbance in any of Indonesia's more populated cities and financial centres could severely disrupt the Indonesian economy and undermine investor confidence, thereby materially and adversely affecting the Group's business, financial position, results of operations and prospects.

Volatility of the value of the Rupiah could have an adverse impact on the Group

One of the most important immediate causes of the economic crisis that began in Indonesia in mid-1997 was the depreciation and volatility of the value of the Rupiah as measured against other currencies, such as the US Dollar. Although the Rupiah has appreciated considerably from its low point of approximately IDR17,000 per US Dollar in January 1998, the Rupiah continues to experience significant volatility since then. Depreciation of the Rupiah could cause significant inflation in Indonesia and lead to further decreases in economic growth.

On the other hand, since a significant portion of the Group's CPO is sold in US Dollar, a sustained and significant appreciation in the value of the Rupiah against the US Dollar could have a material adverse effect on the Group's results of operations since most of the Group's costs are in Rupiah.

The Rupiah has generally been freely convertible and transferable (except that Indonesian banks may not transfer Rupiah to accounts held by non-Indonesians at a bank within or outside of Indonesia). However, from time to time, Bank Indonesia has intervened in the currency exchange markets in furtherance of its policies, either by selling Rupiah or by using its foreign currency reserves to purchase Rupiah. There can be no assurance that the current floating exchange rate policy of Bank Indonesia will not be modified, that additional depreciation of the Rupiah against other currencies, including the US Dollar, will not occur, or that the Government will take additional action to stabilise, maintain or increase the value of the Rupiah, or that any of these actions, if taken, will be successful.

Modification of the current floating exchange rate policy could result in significantly higher domestic interest rates, liquidity shortages, capital or exchange controls or the withholding of additional financial assistance by multinational lenders. This could result in a reduction of economic activity, an economic recession, loan defaults and increases in the price of imports. Any of the foregoing consequences could materially and adversely affect the Group's business, financial position, results of operations and prospects.

Risks Relating to China

The Group operates in a legal system in which the application of various laws and regulations may be uncertain

The Chinese legal system is based on written statutes and therefore, decided legal cases are without binding legal effect, although they are often followed by judges as guidance. As the Chinese economy is undergoing development generally at a faster pace than its legal system, some degree of uncertainty exists in connection with whether, and how, existing laws and regulations will apply to certain events or circumstances. Some of the laws and regulations, and the interpretation, implementation and enforcement thereof, are still at an experimental stage and are therefore subject to policy changes.

The Chinese government is still in the process of developing a comprehensive system of laws and regulations. Considerable progress has been made in the promulgation of laws and regulations relating to general economic matters, such as foreign investment, corporate organisation and governance, commerce, trade, securities and taxation in relation to, *inter alia*, the protection of foreign investors. However, as China continues to develop its legal structure in order to protect the country's own needs as well as to accommodate the needs of foreign investors and promote foreign investments, its laws and regulations may be subject to change. There is no assurance that the introduction of new laws and regulations, changes to existing laws and regulations and the application and/or enforcement thereof will not have an adverse impact on the Group's business.

The breach of any law or regulation in China by the Group may have a material adverse effect on the Group's business, financial position, results of operations and prospects.

The Group's business could be adversely affected by changes in the political and economic conditions in China

The Group has operations located in China and any significant slowdown in the Chinese economy or decline in demand for the Group's products from its customers in China will have an adverse effect on the Group's financial performance and results of operations.

In addition, any unfavourable changes in the socio-political conditions in China may also affect the Group's business. Since the adoption of the "open door policy" in 1978 and the "socialist market economy" in 1993, the Chinese government has been constantly reforming its economic and political systems in a bid to compete internationally. Any changes in the political and economic policy of the Chinese government may lead to changes in the laws and regulations or the interpretation of the same, as well as changes in the foreign exchange regulations, taxation, and import-export restrictions, which may in turn adversely affect the Group's business, financial position and results of operations and prospects.

Inflation in China could adversely affect the Group's profitability and growth

While the Chinese economy has experienced rapid growth, such growth has been uneven among various sectors of the economy and in different geographical areas of China. Rapid economic growth can lead to growth in the money supply and rising inflation. If prices for the Group's products rise at a rate that is insufficient to compensate for the rise in its costs, its business may be materially and adversely affected. In order to control inflation, the Chinese government had on previous occasions imposed various controls such as controls on bank credits, limits on loans for fixed assets and price controls on food products. In early 2008, to rein in the rising prices of meal and edible oil products, the Chinese government implemented price controls on major food products, including cooking oil. The price control policy had an adverse impact on the Group's business. Although the price controls on food prices were removed at the end of 2008, there is no assurance that the Chinese government will not impose policies to control inflation that will be detrimental to the Group's business.

Chinese foreign exchange controls may limit the Group's ability to utilise its revenue effectively

The Group's business in China is subject to China's rules and regulations on currency conversion. In China, the State Administration of Foreign Exchange ("SAFE") regulates the conversion of the RMB into foreign currencies. Currently, foreign investment enterprises ("FIEs") are required to apply to SAFE for "Foreign Exchange Registration Certificates for FIEs". With such registration certification (which needs to be renewed annually), FIEs are allowed to open foreign currency accounts including a "recurrent account" and a "capital account". Currently, conversion of amounts in a "recurrent account", for example, the remittance of foreign currencies for payment of dividends, can be effected without requiring the approval of SAFE. However, conversion of currency in a "capital account", such as capital items including direct investments, still requires the approval of SAFE.

As such, any future restrictions on currency exchanges or remittances may limit the Group's ability to utilise funds generated in China. The ability of the Group's subsidiaries in China to pay dividends or make other distributions to the Company may also be restricted. There is no assurance that the relevant regulations will not be amended to the Group's disadvantage and that the ability of the Group's subsidiaries in China to distribute dividends to the Company will not be adversely affected.

Risks Associated with the Rights Issue, the Shares, the "nil-paid" Rights, the Rights Shares, the Warrants and the New Shares

Future issues or sales of Shares could adversely affect the Share price

Any future issue or sale of Shares can have a downward pressure on the Share price. The sale of a significant amount of Shares on the SGX-ST after the Rights Issue, or the perception that such sales may occur, could materially affect the market price of the Shares. To the extent further new Shares are issued, there may be dilution to present Shareholders. These factors may also affect the Company's ability to undertake equity fund-raising in the future.

The Share price may fluctuate

There is no assurance that the market price of the Shares will not fluctuate significantly and rapidly as a result of certain factors, some of which are beyond the Company's control. Examples of such factors include, *inter alia*, (i) variation(s) of its operating results; (ii) changes in securities analysts' estimates of the Group's financial performance; (iii) changes in conditions affecting the oil palm industry; (iv) additions or departures of key personnel; (v) fluctuations in stock market prices and volume; (vi) involvement in litigation; and (vii) general economic and stock market conditions.

Potential dilution in the event that Entitled Shareholders' Rights Shares with Warrants are not subscribed

In the event that an Entitled Shareholder does not take up his entitlement to the Rights Shares with Warrants under the Rights Issue, such Entitled Shareholder's interest in the Company may be diluted. Even if an Entitled Shareholder sells his "nil-paid" Rights, or such "nil-paid" Rights are sold on his behalf, the consideration he receives may not be sufficient to compensate him fully for the dilution of his interest in the Company as a result of the Rights Issue.

There is no assurance that an active trading market for the Shares and the Warrants will develop after the Rights Issue and for the "nil-paid" Rights during the "nil-paid" Rights trading period

Although in-principle approval has been obtained from the SGX-ST for the listing of the Rights Shares, the Warrants and the New Shares on the SGX-ST, there is no assurance that an active trading market for the Shares and the Warrants will develop, or if it develops, will be sustained after the Rights Issue. A trading period for the "nil-paid" Rights has been fixed for 2 July 2009 to 10 July 2009. There is no

assurance that an active trading market for the “nil-paid” Rights on the SGX-ST will develop during the “nil-paid” Rights trading period. Even if an active market develops, the trading price of the “nil-paid” Rights, which depends on the trading price of the Shares, may be volatile. In addition, the Warrants may not be listed and quoted on the SGX-ST in the event that there is an insufficient spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants, and in such event, Warrantholders will not be able to trade their Warrants on the SGX-ST.

There is also no assurance that the market price for the Rights Shares and the New Shares will not decline below the Issue Price or the Exercise Price respectively, after the Rights Issue. Accordingly, there is no assurance that all of the Warrants will be exercised on the Exercise Date or that the future total proceeds from the Warrants will be realised from the exercise of all of the Warrants on the Exercise Date. Volatility in the trading price of the Shares and the Warrants may be caused by factors beyond the Company’s control and may be unrelated or disproportionate to the Group’s operating results.

Shareholders should note that the Shares and the Warrants trade in board lots of 1,000 Shares and 1,000 Warrants, respectively. Following the Rights Issue, Shareholders who hold odd lots of the Rights Shares and/or Warrants (i.e. less than 1,000 Rights Shares and/or Warrants) and who wish to trade in odd lots on the SGX-ST should note that there is no assurance that they can acquire such number of Rights Shares and/or Warrants to make up one board lot of 1,000 Rights Shares and/or Warrants or dispose of their odd lots (whether in part or whole) on the SGX-ST. Further, Entitled Shareholders who hold odd lots of less than 1,000 Rights Shares and/or Warrants may experience difficulty and/or have to bear disproportionate transaction costs in disposing of odd lots of their Rights Shares and/or Warrants.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

ENTITLED SHAREHOLDERS

Entitled Shareholders are entitled to participate in the Rights Issue and to receive this Offer Information Statement, together with the ARE or the PAL, as the case may be, at their respective Singapore addresses.

Entitled Depositors who do not receive this Offer Information Statement and the ARE may obtain them from CDP for the period up to the Closing Date. Entitled Scripholders who do not receive this Offer Information Statement and the PAL may obtain them from the Share Registrar for the period up to the Closing Date.

Entitled Shareholders have been provisionally allotted Rights Shares with Warrants under the Rights Issue on the basis of their shareholdings in the Company as at the Books Closure Date. Entitled Shareholders are at liberty to accept, decline, renounce or (in the case of Entitled Depositors only) trade on the SGX-ST (during the “nil-paid” Rights trading period prescribed by the SGX-ST) their provisional allotments of Rights Shares with Warrants and are eligible to apply for additional Rights Shares with Warrants in excess of their provisional allotments under the Rights Issue.

Fractional entitlements to the Rights Shares with Warrants will be disregarded in arriving at the Shareholders’ entitlements and will, together with the Rights Shares with Warrants represented by the provisional allotments of (i) Entitled Shareholders who decline, do not accept, or elect not to renounce or (in the case of Entitled Depositors only) trade their provisional allotments of Rights Shares with Warrants under the Rights Issue (during the “nil-paid” Rights trading period prescribed by the SGX-ST) and/or (ii) ineligible Shareholders, be aggregated and used to satisfy excess Rights Shares with Warrants applications (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company. In the allotment of excess Rights Shares with Warrants, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders will rank last in priority.

All dealings in and transactions of the provisional allotments of Rights Shares with Warrants through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs, which are issued to Entitled Scripholders, will not be valid for delivery pursuant to trades done on the SGX-ST.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of Rights Shares with Warrants and for the applications for excess Rights Shares with Warrants, including the different modes of acceptance or application and payment, are contained in Appendices E, F and G of this Offer Information Statement and in the PAL, the ARE and the ARS.

FOREIGN SHAREHOLDERS

This Offer Information Statement and its accompanying documents have not been and will not be lodged, registered or filed in any jurisdiction other than Singapore. The distribution of this Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various relevant requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities or other legislation applicable in jurisdictions other than Singapore, this Offer Information Statement and its accompanying documents will not be despatched to Foreign Shareholders.

Foreign Shareholders will not be entitled to participate in the Rights Issue. Accordingly, no provisional allotment of Rights Shares with Warrants will be made to Foreign Shareholders and no purported acceptance or application for the Rights Shares with Warrants by Foreign Shareholders will be valid.

This Offer Information Statement and its accompanying documents will also not be despatched to persons purchasing the provisional allotments of Rights Shares with Warrants through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore (“**Foreign Purchasers**”). Foreign Purchasers who wish to accept the provisional allotments of the Rights Shares with Warrants credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

The Company reserves the right, but shall not be obliged, to treat as invalid any ARE, ARS or PAL which (a) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore, (b) provides an address outside Singapore for the receipt of the share certificate(s) and warrant certificate(s) for the Rights Shares and the Warrants, respectively, or which requires the Company to despatch the share certificate(s) and warrant certificate(s) to an address in any jurisdiction outside Singapore, or (c) purports to exclude any representation or warranty or confirmation, whether express or deemed, to be given by such person. Notwithstanding the foregoing, the “nil-paid” Rights and the Rights Shares with Warrants may be offered and sold in the United States to a limited number of persons who are QIBs in transactions exempt from registration under the Securities Act. The Company further reserves the right to reject any acceptances of the Rights Shares with Warrants and/or applications for excess Rights Shares where it believes, or has reason to believe, that such acceptances and/or applications may violate any applicable legislation of any jurisdiction.

If it is practicable to do so, the Company may, at its absolute discretion, arrange for the provisional allotments of Rights Shares with Warrants, which would otherwise have been provisionally allotted to Foreign Shareholders, to be sold “nil-paid” on the SGX-ST as soon as practicable after commencement of trading of “nil-paid” Rights. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account the expenses expected to be incurred in relation thereto.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the Depository Register as at the Books Closure Date and sent to them at their own risk by ordinary post, without interest or any share of revenue or other benefit arising therefrom, provided that where the amount of net proceeds to be distributed to any single Foreign Shareholder is less than S\$10.00, the Company shall be entitled to retain or deal with such net proceeds as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Joint Lead Managers and Joint Underwriters, CDP or the Share Registrar and their respective officers in connection therewith.

Where such provisional allotments are sold “nil-paid” on the SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder shall have any claim whatsoever against the Company, the Joint Lead Managers and Joint Underwriters, CDP or the Share Registrar and their respective officers in respect of such sales or the proceeds thereof, the provisional allotments of Rights Shares with Warrants or the Rights Shares with Warrants represented by such provisional allotments.

If such provisional allotments cannot be or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares with Warrants, the Rights Shares with Warrants represented by such provisional allotments will be issued to satisfy excess applications or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder

shall have any claim whatsoever against the Company, the Joint Lead Managers and Joint Underwriters, CDP or the Share Registrar and their respective officers in connection therewith.

Shareholders should note that the special arrangements described above will apply only to Foreign Shareholders.

Notwithstanding the foregoing, a limited number of persons located in the United States whom the Company believes reasonably are QIBs (the identities of which are to be agreed between the Company and the Joint Lead Managers and Joint Underwriters) may be able to purchase Rights Shares with Warrants being offered in the Rights Issue (pursuant to the exercise of Rights) by way of a private placement pursuant to an applicable exemption from registration under the Securities Act, provided that they provide a signed investor representation letter in the form set out in Appendix I of this Offer Information Statement, which will also contain restrictions and procedures regarding the transfer of Rights Shares. Please refer to the Section entitled “**Transfer and Selling Restrictions**” of this Offer Information Statement. The Company, the Joint Lead Managers and Joint Underwriters reserve the absolute discretion in determining whether to allow such participation as well as the identity of the persons who may be allowed to do so.

Each purchaser of Rights Shares with Warrants being offered and sold the Rights Shares with Warrants outside the United States will be deemed to have represented and agreed, among other things, that the purchaser is acquiring the Rights Shares with Warrants in an offshore transaction meeting the requirements of Regulation S under the Securities Act.

Notwithstanding anything herein, Shareholders and any other person having possession of this Offer Information Statement and/or its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any territory outside Singapore receiving this Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares with Warrants unless such offer, invitation or solicitation could lawfully be made without compliance with any registration or other regulatory or legal requirements in such territory.

TRANSFER AND SELLING RESTRICTIONS

GENERAL

Investors are advised to consult their legal counsel prior to making any offer, sale, resale, pledge or other transfer of the “nil-paid” Rights and the Rights Shares with Warrants. No action has been or will be taken to permit the Rights Issue in any jurisdiction where action would be required for that purpose, except that this Offer Information Statement has been lodged with the Authority. Accordingly, the “nil-paid” Rights and the Rights Shares with Warrants may not be offered, sold or delivered, directly or indirectly, and this Offer Information Statement may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction.

United States

The “nil-paid” Rights and the Rights Shares with Warrants have not been and will not be registered under the Securities Act or under the securities laws of any state of the United States and, accordingly, the “nil-paid” Rights and the Rights Shares with Warrants may be offered and sold in the United States only pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state laws of the United States.

Hong Kong

This Offer Information Statement has not been approved by or registered with the Securities and Futures Commission of Hong Kong or the Registrar of Companies of Hong Kong. No “nil-paid” Rights or Rights Shares with Warrants have been offered or sold, and no “nil-paid” Rights or Rights Shares with Warrants may be offered or sold, in Hong Kong, by means of any document, other than to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (“**Securities and Futures Ordinance**”) and any rules made under that Ordinance, or in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong (“**Companies Ordinance**”) or which do not constitute an offer to the public within the meaning of the Companies Ordinance. No document, invitation or advertisement relating to the “nil-paid” Rights or the Rights Shares with Warrants has been issued or may be issued or be held for the purposes of issue in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted under the securities laws of Hong Kong) other than with respect to the “nil-paid” Rights and the Rights Shares with Warrants which are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

European Economic Area

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (each a “**Relevant Member State**”), no offer to the public of the “nil-paid” Rights or the Rights Shares with Warrants in that Relevant Member State may be made, except that an offer to the public in that Relevant Member State of any “nil-paid” Rights or Rights Shares with Warrants may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- (a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (b) to any legal entity which has two or more of (i) an average of at least 250 employees during the last financial year; (ii) a total balance sheet of more than Euro 43 million and (iii) an annual net turnover of more than Euro 50 million as shown in the last annual or consolidated accounts;

- (c) to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Joint Lead Managers and Joint Underwriters for any such offer; or
- (d) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of the “nil-paid” Rights or Rights Shares with Warrants shall result in a requirement for the publication by the Company or the Joint Lead Managers and Joint Underwriters of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purpose of this provision, the expression an “offer to the public” in relation to any “nil-paid” Rights or Rights Shares with Warrants in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Rights Issue and any “nil-paid” Rights or Rights Shares with Warrants to be offered so as to enable an investor to decide to purchase any “nil-paid” Rights or Rights Shares with Warrants, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Member State and the expression “Prospectus Directive” means Directive 2003/71/EC and includes any relevant implementing measures in each Relevant Member State.

In the case of any “nil-paid” Rights or Rights Shares with Warrants being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will also be deemed to have represented, warranted and agreed to with the Joint Lead Managers and Joint Underwriters and the Company that (i) the “nil-paid” Rights or Rights Shares with Warrants acquired by it have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, or in circumstances where the prior written consent of the Joint Lead Managers and Joint Underwriters have been obtained to each such proposed offer or resale or (ii) where the “nil-paid” Rights or Rights Shares with Warrants have been acquired by it or on behalf of persons in any Relevant Member State other than qualified investors, the offer of those “nil-paid” Rights or Rights Shares with Warrants to it is not treated under the Prospectus Directive as having been made to such persons. The Company, the Joint Lead Managers and Joint Underwriters and each of their respective affiliates, and others will rely upon the truth and accuracy of the foregoing representation, warranty and agreement.

United Kingdom

This Offer Information Statement will be provided in the United Kingdom only to, and is directed only at (a) persons who have professional experience in matters relating to investments and who are investment professionals as specified in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the “**Financial Promotion Order**”); (b) persons falling within Article 49(2)(a)-(d) of the Financial Promotion Order (“high net worth companies, unincorporated associations etc.”); or (c) persons to whom this Offer Information Statement may otherwise be lawfully distributed (all such persons together with “qualified investors” (as defined in the Prospectus Directive) being referred to as “**Relevant Persons**”). This Offer Information Statement and its contents must not be acted upon or relied upon in the United Kingdom by persons who are not Relevant Persons. Any investment or investment activity to which this Offer Information Statement relates is available only in the United Kingdom to Relevant Persons, and will be engaged in only with such persons. This Offer Information Statement is exempt from the general restriction on the communication of invitations or inducements to enter into investment activity and has therefore not been approved by an authorised person, as would otherwise be required by section 21 of the Financial Services and Markets Act 2000. Any investment to which this Offer Information Statement relates is only available to (and any investment activity to which it relates will be engaged in only with) Relevant Persons. Persons who are not Relevant Persons should not take any action upon receipt of this Offer Information Statement. By receiving this Offer Information Statement in the United Kingdom you are deemed to warrant to the Company and the Joint Lead Managers and Joint Underwriters that you fall within the categories of persons described above.

Mauritius

No “nil-paid” Rights or Rights Shares with Warrants have been and may be offered or sold in Mauritius, by means of any document, other than to “sophisticated investors” as defined in the Securities Act 2005 of Mauritius (“**Mauritius Securities Act**”) and any rules made under that Act, or in other circumstances which do not result in the document being a “prospectus” as defined in the Mauritius Securities Act or which do not constitute an offer to the public within the meaning of the Mauritius Securities Act. No person shall distribute to the public in Mauritius any application form for the offer of any securities under this Offer Information Statement.

“Sophisticated Investor” is defined under the Mauritius Securities Act as follows:

- (a) the Government of Mauritius;
- (b) a statutory authority or an agency established by an enactment for a public purpose;
- (c) a company, all the shares in which are owned by the government of Mauritius or a body specified in paragraph (b) above;
- (d) the government of a foreign country, or an agency of such government;
- (e) a bank under the Banking Act 2004 of Mauritius;
- (f) a collective investment scheme (“**CIS**”) manager holding a CIS manager licence issued under the Mauritius Securities Act;
- (g) an insurer licensed under the Insurance Act 2005 of Mauritius;
- (h) an investment adviser who holds an investment adviser licence issued by the FSC of Mauritius;
- (i) an investment dealer who holds an investment dealer licence issued by the FSC of Mauritius; or
- (j) a person declared by the FSC of Mauritius to be a sophisticated investor.

TRADING

LISTING AND QUOTATION OF RIGHTS SHARES, THE WARRANTS AND THE NEW SHARES

In-principle approval has been obtained from the SGX-ST for the dealing in, listing and quotation of the Rights Shares, the Warrants and the New Shares on the Official List of the Main Board of the SGX-ST, subject to certain conditions. The in-principle approval of the SGX-ST is not to be taken as an indication of the merits of the Company, its subsidiaries, the Rights Issue, the Shares, the “nil-paid” Rights, the Rights Shares, the Warrants or the New Shares.

Upon the listing and quotation of the Rights Shares, the Warrants and the New Shares on the Official List of the Main Board of the SGX-ST, the Rights Shares, the Warrants and the New Shares will be traded on the SGX-ST under the book-entry (scripless) settlement system. For the purposes of trading on the SGX-ST, each board lot of Shares and Warrants will comprise 1,000 Shares and 1,000 Warrants respectively. All dealings in, and transactions (including transfers) of the Rights Shares, the Warrants and/or the New Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP’s “Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited”, “Terms and Conditions for The Central Depository (Pte) Limited to act as Depository for the Rights Shares” and the “Terms and Conditions for The Central Depository (Pte) Limited to act as Depository for the Warrants” as the same may be amended from time to time. Copies of the above are available from CDP.

The dealing in, listing and quotation of the Warrants is subject to, *inter alia*, there being a sufficient spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants. Under Rule 826 of the Listing Manual, it is provided that as a guide, the SGX-ST expects at least 100 Warrantheolders for a class of company warrants. In the event that permission is not granted by the SGX-ST for the listing and quotation of the Warrants issued for any reason, Warrantheolders will not be able to trade their Warrants on the SGX-ST. However, if a Warrantheolder were to exercise his right, subject to the terms and conditions of the Warrants, to convert his Warrants into New Shares, such New Shares will be listed and quoted on the Official List of the Main Board of the SGX-ST.

ARRANGEMENTS FOR SCRIPLESS TRADING

Entitled Scripholders and their renounees who wish to accept the Rights Shares with Warrants provisionally allotted to them and (if applicable) apply for excess Rights Shares with Warrants, and who wish to trade the Rights Shares and Warrants issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names if they do not already maintain such Securities Accounts in order for the number of Rights Shares and Warrants and, if applicable, the excess Rights Shares and Warrants that may be allotted and issued to them to be credited by CDP to their Securities Accounts. Entitled Scripholders and their renounees who wish to accept and/or apply for the excess Rights Shares with Warrants and have their Rights Shares and Warrants credited into their Securities Accounts must fill in their Securities Account numbers and/or National Registration Identity Card (“**NRIC**”)/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts maintained with CDP, will be issued physical share certificates and warrant certificates in their own names for the Rights Shares and Warrants allotted to them and if applicable, the excess Rights Shares and Warrants allotted to them. Such physical share certificates and warrant certificates, if issued, will be forwarded by ordinary post at their own risk but will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title.

If an Entitled Scripholder's address stated in the PAL is different from his address registered with CDP, he must inform CDP of his updated address promptly, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.

A holder of physical share certificate(s) and/or warrant certificate(s) or an Entitled Scripholder who has not deposited his share certificate(s) and/or warrant certificate(s) with CDP but wishes to trade on the SGX-ST, must deposit his respective certificate(s) with CDP, together with the duly executed instrument(s) of transfer in favour of CDP, and have his Securities Account credited with the number of Rights Shares and Warrants or existing Shares, as the case may be, before he can effect the desired trade.

TRADING OF ODD LOTS

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares with Warrants on the SGX-ST during the provisional allotments trading period should note that the provisional allotments of Rights Shares with Warrants will be tradable in board lots, each board lot comprising provisional allotments of 1,000 Rights Shares with Warrants, or any other board lot size which the SGX-ST may require. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market during the provisional allotments trading period. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares with Warrants as soon as dealings therein commence on the SGX-ST.

Following the Rights Issue, Shareholders should note that they are able to trade odd lots of Shares and/or Warrants in board lots of one (1) Share and/or Warrant, respectively, on the Unit Share Market of the SGX-ST.

In addition, the Company has applied for and obtained the approval of the SGX-ST for the establishment of a temporary counter to facilitate the trading of Shares in board lots of 10 Shares per board lot for a period of one (1) month commencing on the first Market Day on which the Rights Shares are listed for quotation on the Official List of the Main Board of the SGX-ST. The temporary counter is of a provisional nature. Investors who continue to hold odd lots of less than 1,000 Shares after one (1) month from the listing of the Rights Shares may face difficulty and/or have to bear disproportionate transactional costs in realising the fair market price of such Shares.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in press releases and oral statements that may be made by the Company or its Directors, officers or employees acting on its behalf, that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by words that have a bias towards the future or are forward-looking such as, without limitation, “anticipate”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “will” and “would” or other similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group’s expected financial position, operating results, business strategies, plans and prospects are forward-looking statements. These forward-looking statements, including but not limited to statements as to the Group’s revenue and profitability, prospects, future plans and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group’s actual future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements.

Given the risks, uncertainties and other factors that may cause the Group’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, undue reliance must not be placed on these statements. The Group’s actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements. Neither the Company nor any other person represents or warrants that the Group’s actual future results, performance or achievements will be as expected, expressed or implied in those statements.

In light of the ongoing turmoil in the global financial markets and its contagion effect on the real economy, any forward-looking statements contained in this Offer Information Statement must be considered with significant caution and reservation.

Further, each of the Company and the Joint Lead Managers and Joint Underwriters disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future. Where such developments, events or circumstances occur and are material, or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement via SGXNET and, if required, lodge a supplementary or replacement document with the Authority.

Important factors concerning an investment in the Rights Shares with Warrants or that could cause actual results to differ materially from the expectations of the Company are discussed in the Section entitled “**Risk Factors**” of this Offer Information Statement.

TAKE-OVERS

The Code regulates the acquisition of ordinary shares of, *inter alia*, corporations with a primary listing on the SGX-ST, including the Company. Except with the consent of the Securities Industry Council, where:

- (i) any person acquires whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by parties acting in concert with him) carry 30% or more of the voting rights of the Company; or
- (ii) any person who, together with parties acting in concert with him, holds not less than 30% but not more than 50% of the voting rights in the Company and such person, or any party acting in concert with him, acquires in any period of six (6) months additional shares carrying more than 1% of the voting rights,

such person must extend a mandatory take-over offer immediately to the Shareholders for the remaining Shares in the Company in accordance with the provisions of the Code. In addition to such person, each of the principal members of the group of parties acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Code as a result of any acquisition of Rights Shares with Warrants or the exercise of the Warrants pursuant to the Rights Issue should consult the Securities Industry Council and/or their professional advisers.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART II: IDENTITY OF DIRECTORS, ADVISERS AND AGENTS

Directors

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1. Provide the names and addresses of each of the directors or equivalent persons of the relevant entity
-

Name of Directors	Address
Franky Oesman Widjaja	9 Rhu Cross, #03-10, Singapore 437436
Muktar Widjaja	9 Rhu Cross, #04-11, Singapore 437436
Frankle (Djafar) Widjaja	38 Stevens Road, #02-02, Singapore 257845
Simon Lim	Jl. Sukarela No. 1, RT009/RW009 Penjaringan, Jakarta Utara, Indonesia
Rafael Buhay Concepcion, Jr.	Jenggala I No. 5, Kebayoran Baru, Jakarta Selatan, Indonesia
Hong Pian Tee	50 Leedon Road, Singapore 267860
Lew Syn Pau	26C Swiss Club Road, Singapore 288124
Kaneyalall Hawabhay	Nalletamby Road, Phoenix, Mauritius
William Chung Nien Chin	34 Avenue Des Mouettes Quatre Bornes, Mauritius

Advisers

2. Provide the names and addresses of –

- (a) the issue manager to the offer, if any;
 - (b) the underwriter to the offer, if any; and
 - (c) the legal adviser for or in relation to the offer, if any.
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Joint Lead Managers and Joint Underwriters	:	BNP Paribas, Singapore Branch 20 Collyer Quay #01-01 Tung Centre Singapore 049319
	:	Credit Suisse (Singapore) Limited One Raffles Link #03-01 South Lobby Singapore 039393
	:	UBS AG, acting through its business division, UBS Investment Bank One Raffles Quay #50-01 North Tower Singapore 048583
Legal adviser to the Company as to Singapore law	:	Shook Lin & Bok LLP 1 Robinson Road #18-00 AIA Tower Singapore 048542
Legal adviser to the Company as to Mauritius law	:	Uteem Chambers 4 th Floor, Les Jamalacs Building Vieux Conseil Street Port-Louis Mauritius
Legal adviser to the Joint Lead Managers and Joint Underwriters as to Singapore law and U.S. Federal law	:	Allen & Overy LLP 24 Raffles Place #22-00 Clifford Centre Singapore 048621

Registrars and Agents

- 3. Provide the names and addresses of the relevant entity's registrars, transfer agents and receiving bankers for the securities being offered, where applicable.**
-

Share Registrar, Share Transfer Agent and Warrant Agent	:	B.A.C.S. Private Limited 63 Cantonment Road Singapore 089758
Receiving Bank	:	UBS AG Singapore Branch Global Wealth Management & Swiss Bank One Raffles Quay #50-01 North Tower Singapore 048583

PART III: OFFER STATISTICS AND TIMETABLE

Offer Statistics

- 1. For each method of offer, state the number of the securities being offered.**
-

Underwritten renounceable Rights Issue of up to 1,763,739,384 Rights Shares on the basis of 17 Rights Shares for every 100 existing Shares held by Entitled Shareholders as at the Books Closure Date and up to 705,495,753 Warrants to be issued free together with the Rights Shares on the basis of two (2) Warrants for every five (5) Rights Shares subscribed, fractional entitlements to be disregarded.

Method and Timetable

- 2. Provide the information referred to in paragraphs 3 to 7 of this Part to the extent applicable to –**
- (a) the offer procedure; and**
 - (b) where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.**
-

Please refer to paragraphs 3 to 7 below.

- 3. State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgement of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period shall be made public.**
-

Please refer to the Section entitled “**Expected Timetable of Key Events**” of this Offer Information Statement.

The procedures for, and the terms and conditions applicable to, acceptances, renunciations, splittings and/or sales of the provisional allotments of Rights Shares with Warrants and for the applications for excess Rights Shares with Warrants, including the different modes of acceptance or application and payment, are contained in Appendices E, F and G of this Offer Information Statement and in the PAL, the ARE and the ARS.

As at the date of this Offer Information Statement, the Company does not expect the timetable under the Section entitled “**Expected Timetable of Key Events**” of this Offer Information Statement to be modified. However, the Company may, in consultation with the Joint Lead Managers and Joint Underwriters and with the approval of the SGX-ST, modify the timetable subject to any limitation under any applicable laws. In that event, the Company will publicly announce the same through a SGXNET announcement at the SGX-ST’s website <http://www.sgx.com>.

4. State the method and time limit for paying up for the securities and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.

The Rights Shares with Warrants are payable in full upon acceptance and/or application. Details of the methods of payment for the Rights Shares with Warrants are contained in Appendices E, F and G of this Offer Information Statement and in the PAL, the ARE and the ARS.

Please refer to the Section entitled “**Expected Timetable of Key Events**” of this Offer Information Statement for the last date and time for payment for the Rights Shares with Warrants and if applicable, excess Rights Shares with Warrants.

5. State, where applicable, the methods of and time limits for –

- (a) the delivery of the documents evidencing title to the securities being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and**
 - (b) the book-entry transfers of the securities being offered in favour of subscribers or purchasers.**
-

The Rights Shares with Warrants will be provisionally allotted to Entitled Shareholders by crediting the provisional allotments to the Securities Account of the respective Entitled Depositors maintained with CDP on or about 1 July 2009 or through the despatch of the relevant PALs to Entitled Scripholders on or about 2 July 2009.

In the case of Entitled Scripholders and their renounees with valid acceptances of and successful applications for excess Rights Shares with Warrants and who have, *inter alia*, failed to furnish Securities Account numbers or furnished incorrect or invalid Securities Account numbers in the relevant form in the PAL, share certificate(s) representing such number of Rights Shares and warrant certificate(s) representing such number of Warrants will be sent by ordinary post, at their own risk, to their mailing addresses in Singapore as maintained with the Share Registrar within ten (10) Market Days after the Closing Date.

In the case of Entitled Depositors, and Entitled Scripholders and their renounees with valid acceptances of and successful applications for excess Rights Shares with Warrants and who have furnished valid Securities Account numbers in the relevant form comprised in the PAL, share certificates representing such number of Rights Shares and warrant certificates representing such number of Warrants will be registered in the name of CDP or its nominee and despatched to CDP within ten (10) Market Days after the Closing Date and CDP will thereafter credit such number of Rights Shares and Warrants to their relevant Securities Accounts. CDP will then send a

notification letter to the relevant subscribers stating the number of Rights Shares and Warrants that have been credited to their Securities Accounts.

6. In the case of any pre-emptive rights to subscribe for or purchase the securities being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.

Please refer to Appendices E, F and G of this Offer Information Statement and the PAL, the ARE and the ARS for details on the procedure for the acceptance of the provisional allotment of the Rights Shares with Warrants, application for excess Rights Shares with Warrants, trading of “nil-paid” Rights on the SGX-ST and the treatment of provisional allotments of Rights Shares with Warrants which are not accepted.

7. Provide a full description of the manner in which results of the allotment or allocation of the securities are to be made public and, where appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid).

Results of the Rights Issue

The Company will announce the results of the Rights Issue through a SGXNET announcement at the SGX-ST’s website <http://www.sgx.com>.

Manner of Refund

When any acceptance of and/or excess application for Rights Shares with Warrants is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date as follows:

- (i) where the acceptance and/or application had been made through CDP, by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses as maintained with CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions;
- (ii) where the acceptance and/or application had been made through the Share Registrar, by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses in Singapore as maintained with the Share Registrar; and
- (iii) where the acceptance and/or application had been made through Electronic Applications, by crediting their bank accounts with the relevant Participating Banks at their own risk, the receipt by such bank being a good discharge of the Company’s and CDP’s obligations.

Please refer to Appendices E, F and G of this Offer Information Statement, the PAL, the ARE and the ARS (as the case may be) for further details.

PART IV: KEY INFORMATION

Use of Proceeds from Offer and Expenses Incurred

1. In the same section, provide the information set out in paragraphs 2 to 7 of this Part.
-

Please refer to paragraphs 2 to 7 below.

2. Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (referred to in this paragraph and paragraph 3 of this Part as the net proceeds). Where only a part of the net proceeds will go to the relevant entity, indicate the amount of the net proceeds that will be raised by the relevant entity. If none of the proceeds will go to the relevant entity, provide a statement of that fact.
-

The estimated net proceeds from the Rights Issue (after deducting estimated expenses associated with the Rights Issue of approximately S\$6.4 million) are expected to be approximately S\$311.1 million.

Assuming all the Warrants are exercised on the Exercise Date, the estimated proceeds arising from the exercise of the Warrants will be approximately S\$381.0 million (the “**Warrants Proceeds**”).

All net proceeds from the Rights Issue and the Warrants Proceeds will go to the Company.

3. Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities.
 4. For each dollar of the proceeds from the offer that will be raised by the relevant entity, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the offer.
-

The Rights Issue is undertaken to pro-actively strengthen the balance sheet, financial flexibility and competitive position of the Group to support the Group’s growth, both internally and externally. In addition, the issue of Warrants will provide the Group with additional liquidity three (3) years in the future if the Warrants are exercised on the Exercise Date and will better equip the Group to continue to expand organically as well as undertake any acquisition opportunities should they arise.

Given that the Rights Issue is undertaken to pro-actively strengthen the Group’s balance sheet, financial flexibility and competitive position, a definitive use of the net proceeds from the Rights Issue and the Warrants Proceeds cannot be detailed at this point in time. However, the net proceeds could be allocated to the following purposes:

- (a) to support the Group’s on-going organic growth and capital expenditure, including but not limited to the acquisition of land, planting of oil palm trees, and construction of mills and refineries;

- (b) to pursue value-creating mergers and acquisitions and expansion opportunities as and when they arise, including but not limited to acquiring, financing or re-financing the acquisition of any asset and/or business; and
- (c) for general corporate and working capital purposes, including but not limited to the repayment of borrowings.

The Group intends to allocate up to 20% of the net proceeds for the purposes set out in paragraph (c) above and the balance of the net proceeds for the purposes set out in paragraphs (a) and (b) above.

Pending the deployment of the net proceeds from the Rights Issue and the Warrants Proceeds, such proceeds may be placed as deposits with financial institutions or invested in short-term money markets or marketable securities or used for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem appropriate in the interests of the Company.

The Company will make periodic announcements on the utilisation of the proceeds arising from the Rights Issue and the Warrants Proceeds as and when the proceeds from the Rights Issue and the Warrants Proceeds are materially disbursed and provide a status report on the use of such proceeds in the Company's annual report.

The Rights Issue is underwritten by the Joint Lead Managers and Joint Underwriters pursuant to the terms of the Management and Underwriting Agreement.

For each dollar of the gross proceeds of approximately S\$317.5 million to the Company from the Rights Issue, the Company will allocate approximately 98 cents (representing approximately 98% of the gross proceeds) to the purposes identified above and approximately 2 cents (representing approximately 2% of the gross proceeds) to pay for the expenses incurred in connection with the Rights Issue.

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- 5. If any of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business, briefly describe the asset and state its purchase price. If the asset has been or will be acquired from an interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined.**
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As described in (b) of paragraphs 3 and 4 above, the Group could use the net proceeds to acquire or refinance the acquisition of an asset other than in the ordinary course of business.

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- 6. If any of the proceeds to be raised by the relevant entity will be used to finance or refinance the acquisition of another business, briefly describe the business and give information on the status of the acquisition.**
-

As described in (b) of paragraphs 3 and 4 above, the Group could use the net proceeds to finance or refinance the acquisition of another business.

-
- 7. If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.**
-

As described in (c) of paragraphs 3 and 4 above, the Group could use the net proceeds for the repayment of its borrowings.

- 8. In the section containing the information referred to in paragraphs 2 to 7 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters or other placement or selling agents in relation to the offer and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.**
-

The Rights Issue is underwritten by the Joint Lead Managers and Joint Underwriters, severally, pursuant to the terms of the Management and Underwriting Agreement. In consideration of the Joint Lead Managers and Joint Underwriters' agreement to underwrite the Underwritten Rights Shares, the Company will pay to the Joint Lead Managers and Joint Underwriters an underwriting, management and selling fee of (a) 2.5% of the Issue Price multiplied by the Underwritten Rights Shares, plus any applicable GST, plus (b) 0.5% of the Issue Price multiplied by the total number of Rights Shares with Warrants which the Undertaking Shareholders have undertaken to subscribe for pursuant to the Irrevocable Undertakings, plus any applicable GST.

Information on the Relevant Entity

- 9a. the address and telephone and facsimile numbers of the relevant entity's registered office and principal place of business (if different from those of its registered office);**
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Registered Office and Principal Place of Business	:	c/o Multiconsult Limited Rogers House 5 President John Kennedy Street Port Louis Republic of Mauritius
Telephone number	:	(230) 4052000
Facsimile number	:	(230) 2125265

- 9b. the nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group;**
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The Company was incorporated in the Republic of Mauritius on 15 October 1996 under section 19 of the Mauritius Companies Act 1984 as a private company limited by shares and was granted an offshore certificate under section 16(4) of the Mauritius Offshore Business Activities Act 1992 on 16 October 1996. To-date, the Company has been issued with a Global Business Licence Category 1 which is valid from 16 October 2008 to 30 June 2009. The licence has been renewed for the year from 1 July 2009 to 30 June 2010. This licence is renewable yearly. The Company was admitted to the Official List of the Main Board of the SGX-ST on 9 July 1999.

The Group is one of the largest listed vertically integrated oil palm plantations and producers of crude and refined palm products in the world. The Group's operations are mainly based in Indonesia where its primary activities include ownership and cultivation of oil palm plantations;

processing of FFB into CPO and palm kernel; and refining CPO into industrial and consumer products such as cooking oil, margarine and shortening.

The Group also has operations in China and its principal activities include the ownership and operation of a deep-sea oil and grain port and storage facility, oilseed crushing and vegetable oil refining facilities that produce soybean oil, soy-based animal feeds, blended vegetable oils, margarine and shortening.

Please refer to the Section entitled “**Summary of the Business of the Group**” of this Offer Information Statement for more details on the operations and principal activities of the Group.

9c. the general development of the business from the beginning of the period comprising the 3 most recent completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since –

- (i) the end of the most recent completed financial year for which financial statements of the relevant entity have been published; or**
- (ii) the end of any subsequent period covered by interim financial statements, if interim financial statements have been published;**

Save as disclosed in this Offer Information Statement and in public announcements released by the Company, there has been no material change to the affairs of the Group during the period from 31 March 2009 to the Latest Practicable Date.

The key business developments of the Group from FY2006 to the Latest Practicable Date are set out below. The developments included in this section have been extracted from the related announcements and annual reports released by the Group and the information herein is correct as at the date of the relevant announcement. Shareholders are advised to refer to the related announcements and annual reports released by the Company for further details.

Key Business Development from 1 January 2009 to the Latest Practicable Date

On 27 May 2009, the Company announced its intention to raise approximately S\$311.1 million through the Rights Issue.

Key Business Developments in FY2008

GAR Group Restricted Share Plan (“RSP”)

The Company introduced the GAR Group RSP which was approved by Shareholders at the special meeting of the Company held on 24 October 2008. The RSP was introduced to align the interests of key management and executives of the Group with the interests of Shareholders and to enhance the Company’s competitiveness in attracting and retaining talented key senior management and executives.

Acquisition of PT Soci Mas (“PTSM”) and Eco Investment Limited (“Eco Investment”)

In April 2008, PT Sinar Oleochemical International (now known as PTSM) became a wholly owned subsidiary of the Group after the acquisition of 27,600 shares in PTSM at approximately US\$254 per share. This was determined on a willing buyer willing seller basis after taking into account the net book value of PTSM.

In September 2008, the Company through its wholly owned subsidiary, Asia Palm Oil Investment Pte. Ltd., acquired Eco Investment at a consideration of US\$99.0 million. Subsequent to this acquisition, Eco Investment and its subsidiaries and associated company ("**Eco Group**") became subsidiaries of the Group. The net assets of Eco Group acquired amounted to US\$101.1 million.

ISO 22000:2005 Certification

In December 2008, the Group's refineries in Surabaya and Medan were accredited with the ISO 22000:2005 certification for implementing international standards for food safety.

Key Business Developments in FY2007

Acquisition of 45,000,000 shares of PT Ivo Mas Tunggal ("IMT") by PT Purimas Sasmita ("Purimas")

In May 2007, the Company's subsidiary, Purimas acquired from PT Sinar Mas Agro Resources and Technology Tbk ("**PT SMART Tbk**") 45,000,000 shares of nominal value IDR1,000 each, representing 9% of the shareholding in IMT, for a total cash consideration of US\$35.0 million. Following this acquisition, IMT became a wholly owned subsidiary of Purimas.

Share placement

On 19 April 2007, the Company entered into a placement agreement with BNP Paribas Capital (Singapore) Ltd., CIMB-GK Securities Pte. Ltd. and Oversea-Chinese Banking Corporation Limited (collectively, the "**Placement Agents**"), pursuant to which the Placement Agents agreed to use their best endeavours to procure purchasers for up to 325.3 million new ordinary shares of US\$0.10 each in the Company (the "**Placement**"). The 325.3 million placement shares were fully taken up. On 26 April 2007, the completion date of the Placement, the Company allotted and issued 325.3 million ordinary shares of US\$0.10 each at approximately S\$2.50 per share for cash. The placement shares were listed and quoted on the Official List of the Main Board of the SGX-ST with effect from 27 April 2007.

Exercise of option to purchase shares in Madascar Investment Ltd ("Madascar")

The Company exercised its option to acquire the entire issued and paid-up capital of Madascar in March 2007. The exercise price of the option was US\$67.6 million. Madascar holds, *inter alia*, a plantation company in Indonesia.

Acquisition of Golden Agri Plaza Pte. Ltd. ("GAP") (formerly known as Golden Techno Suites Pte. Ltd.)

In June 2007, the Group acquired 100% of the share capital of GAP, a company incorporated in Singapore, which owns a 5-storey facility at Pasir Panjang Road, Singapore (the "**Property**"). The consideration for the acquisition was S\$44.0 million and determined on a willing buyer willing seller basis after taking into account the independent valuation of the Property at S\$78.0 million.

Acquisition of PT SMART Tbk's shares

From May to December 2007, the Company, through Purimas, had on various dates acquired an aggregate of 661,004,190 shares in PT SMART Tbk of nominal value IDR200 each, representing approximately 23.02% of the shareholding in PT SMART Tbk. The Company, through Purimas, increased its equity interest in PT SMART Tbk from approximately 72.19% to 95.21%. The

aggregate consideration for these transactions amounted to approximately US\$313.4 million (which included professional fees of approximately US\$5.9 million).

Key Business Developments in FY2006

Disposal of shares in PT SMART Tbk

In November 2006, the Group, through Purimas, disposed of 70,188,000 shares in PT SMART Tbk of nominal value IDR200 each, representing 2.44% of the shareholding in PT SMART Tbk for a total cash consideration of approximately IDR210.6 billion.

The Company ceased to be a subsidiary of Asia Food & Properties Limited (“AFP”)

The Company was formerly 55.02% owned by SGX-ST-listed AFP, an investment holding company. Effective on 27 December 2006, AFP has distributed *in specie* substantially all its shares held in the share capital of the Company to the shareholders of AFP by way of capital reduction. Following the distribution *in specie*, the Company and its subsidiaries ceased to be subsidiaries of AFP.

ISO 17025 Certification

In September 2006, the Group’s internal research laboratory in Sumatra was accredited with ISO 17025 certification for the technical competence of its testing and calibration laboratories.

9d. the equity capital and the loan capital of the relevant entity as at the latest practicable date, showing –

- (i) in the case of the equity capital, the issued capital; or**
- (ii) in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon;**

Issued share capital (as at the Latest Practicable Date)	:	US\$259,373,438.95 comprising 10,374,937,558 Shares
Loan capital (as at the Latest Practicable Date)	:	Nil

9e. where –

- (i) the relevant entity is a corporation, the number of shares of the relevant entity owned by each substantial shareholder as at the latest practicable date; or**
 - (ii) the relevant entity is not a corporation, the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the latest practicable date;**
-

The interest of the Substantial Shareholders, as extracted from the Register of Substantial Shareholders, as at the Latest Practicable Date are set out below:

Name	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Massingham International Ltd	2,031,718,286	19.58	—	—	2,031,718,286	19.58
Flambo International Limited	3,009,798,598	29.01	—	—	3,009,798,598	29.01
The Widjaja Family Master Trust(2) ⁽¹⁾	—	—	5,041,516,884	48.59	5,041,516,884	48.59

Note:

(1) The deemed interest of The Widjaja Family Master Trust(2) arises from its interest in 2,031,718,286 Shares held by Massingham International Ltd and 3,009,798,598 Shares held by Flambo International Limited in the Company.

9f. any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgement of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group;

As at the date of this Offer Information Statement, the Directors are not aware of any legal or arbitration proceedings to which any member of the Group is a party or which is pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgement of this Offer Information Statement, a material effect on the financial position or profitability of the Group or of any facts likely to give rise to any such legal or arbitration proceedings.

9g. where any securities or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date –

- (i) if the securities or equity interests have been issued for cash, state the prices at which the securities have been issued and the number of securities or equity interests issued at each price; or**
 - (ii) if the securities or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities or equity interests; and**
-

On 2 April 2009, the Company allotted and issued Bonus Shares to Shareholders pursuant to the Bonus Issue Exercise. The Bonus Shares were issued on the basis of one (1) Bonus Share credited as fully paid by capitalisation of the Company's share premium account, for every 25 existing Shares. Accordingly, the issued and paid-up share capital of the Company increased from US\$249,397,594.80 divided into 9,975,903,792 Shares to US\$259,373,438.95 divided into 10,374,937,558 Shares. The Bonus Shares were listed and quoted on the Official List of the Main Board of the SGX-ST on 3 April 2009.

The Company has not issued any securities or equity interests for service in the last 12 months.

-
- 9h. a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of 2 years immediately preceding the date of lodgement of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.
-

Save as disclosed below and in paragraph 9(c) of the Section entitled “**Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 — Key Information**” of this Offer Information Statement, the Group has not entered into any material contracts not in the ordinary course of business for the period of two (2) years immediately preceding the date of lodgement of this Offer Information Statement:

1. the Management and Underwriting Agreement, details of which are set out under paragraph 7 in the Section entitled “**Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 — The Offer and Listing — Plan of Distribution**” of this Offer Information Statement;
2. the Irrevocable Undertakings, details of which are set out in paragraph 1(f) in the Section entitled “**Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 — Additional Information Required for Offer of Securities by way of Rights Issue**” of this Offer Information Statement;
3. the Instrument executed by the Company dated 29 June 2009, constituting the Warrants and containing, *inter alia*, the provisions for the protection of the rights and interests of the Warrantholders; and
4. the Warrant Agency Agreement executed by the Company, the Share Registrar and the Warrant Agent dated 29 June 2009, in relation to the Company’s appointment of the Share Registrar and the Warrant Agent in connection with the issue and exercise of the Warrants.

PART V: OPERATING AND FINANCIAL REVIEW AND PROSPECTS

Operating Results

1. Provide selected data from –
 - (a) the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the 3 most recent completed financial years) for which that statement has been published; and
 - (b) any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published.
-

Please refer to Appendix B of this Offer Information Statement.

2. The data referred to in paragraph 1 of this Part shall include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and shall in addition include the following items:
- (a) dividends declared per share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;
- (b) earnings or loss per share; and
- (c) earnings or loss per share, after any adjustment to reflect the sale of new securities.

	1Q2009	1Q2008	FY2008	FY2007	FY2006
Dividends declared per Share ⁽¹⁾ (US cents)	—	—	0.56	0.69	0.35
Dividends declared per Share ⁽¹⁾ (cents)	—	—	0.80	1.00	0.54
EPS (US cents)	0.09	1.36	13.86	12.21	5.42
<i>Pro forma</i> EPS after adjustment to reflect the Rights Issue ⁽²⁾ (US cents)	0.07	1.16	11.78	10.30	4.51
<i>Pro forma</i> EPS after adjustment to reflect the Rights Issue and Warrant Exercise ⁽³⁾ (US cents)	0.07	1.09	11.11	9.70	4.22

Notes:

- (1) Dividend declared per Share has been adjusted based on the number of ordinary Shares at US\$0.025 each after adjusting for the share splits effected on 13 September 2007 and 22 February 2008 (“**Share Splits**”).
- (2) *Pro forma* EPS after the Rights Issue is shown based on the weighted average number of Shares for each period under review after adjusting for the Share Splits, and on the assumption that (a) the Bonus Issue Exercise was completed on 1 January 2009, and (b) the Rights Issue was completed at the beginning of each such period, and without taking into account the use of proceeds from the Rights Issue on the earnings of the Group.
- (3) *Pro forma* EPS after the Rights Issue and exercise of Warrants (“**Warrants Exercise**”) is shown based on the weighted average number of Shares for each period under review after adjusting for the Share Splits, and on the assumption that (a) the Bonus Issue Exercise was completed on 1 January 2009, and (b) the Rights Issue was completed and all issued Warrants are exercised at the beginning of each such period, and without taking into account the use of proceeds from the Rights Issue and Warrants Exercise on the earnings of the Group.

3. In respect of –

(a) each financial year (being one of the 3 most recent completed financial years) for which financial statements have been published; and

(b) any subsequent period for which interim financial statements have been published,

provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.

1Q2009 vs 1Q2008

The Group recorded revenue of US\$412.2 million and net profit attributable to the equity holders of the Company of US\$8.6 million in 1Q2009.

Group revenue of US\$412.2 million in 1Q2009 comprised US\$288.3 million (approximately 69.9% of the Group's revenue) from its operations in Indonesia which include the ownership and cultivation of oil palm plantations, mills and refineries, and producer of consumer cooking oil and margarine (the "**Indonesia agri-business**") and US\$124.0 million (approximately 30.1% of the Group's revenue) from its operations in China (the "**China agri-business**").

Revenue from the Indonesia agri-business decreased by 50.7% or US\$296.4 million as compared to US\$584.6 million in 1Q2008. This was primarily due to the lower average CPO price and sales volume during the period, resulting from the lower international CPO prices and lower CPO production.

Average international CPO (CIF Rotterdam) price was US\$573.5 per tonne for 1Q2009, approximately half the average of US\$1,142.5 per tonne in 1Q2008.

CPO production in 1Q2009 was approximately 364,000 tonnes, representing a decrease of 17.3% from approximately 440,000 tonnes in 1Q2008 resulting from lower FFB production. FFB production continued to be affected by the biological slowdown caused by second year impact of drought in 2006 and longer than usual periods of heavy rainfall in the southern part of Sumatra and South Kalimantan.

Revenue from the China agri-business of US\$124.0 million comprising mainly revenue from the refinery operations and crushing operations of US\$55.2 million and US\$58.8 million respectively.

The decrease of 23.9% or US\$38.8 million in revenue was mainly attributable to lower average selling prices of refined edible oil products.

Group cost of sales decreased by 27.8% or US\$134.0 million from US\$482.8 million in 1Q2008 to US\$348.8 million in 1Q2009.

Cost of sales from the Indonesia agri-business was US\$232.1 million, comprising mainly labour, plantation maintenance, manuring and harvesting costs, FFB purchases and CPO purchases for the Group's downstream business. The decrease of 29.3% or US\$96.2 million in cost of sales was mainly due to lower FFB purchases cost which was partially offset by higher fertiliser costs during the period in the Indonesia agri-business.

Cost of sales in the China agri-business was US\$116.7 million, comprising mainly purchase cost of soybean and palm oil products. The decrease of US\$37.8 million was mainly a result of lower market prices of soybean and palm oil products during the period.

Gross profit of the Group decreased by 76.0% or US\$201.2 million to US\$63.4 million as compared to US\$264.6 million in 1Q2008.

Gross profit margin of the Indonesia agri-business decreased to 19.5% in 1Q2009 mainly as a result of lower average realised selling price in line with lower international CPO prices while certain fixed costs had remained fairly constant in spite of the lower revenue.

Gross profit margin of the China agri-business increased to 5.9% in 1Q2009 primarily attributable to the lower purchase cost of soybean and palm oil products in line with the decline in international commodity prices during the period.

Selling expenses of US\$14.6 million comprised mainly transportation, advertising and promotion, and salaries. The decrease in selling expenses of US\$36.4 million was mainly attributable to the significant reduction in export tax expenses in 1Q2009 in line with the lower applicable export tax rate during the period. The current export tax rate for CPO ranging from 0% (if CPO price per tonne is below US\$700) to 25.0% (if CPO price per tonne is above US\$1,250).

General and administrative expenses included salaries and related expenses, rent, tax and licences, depreciation, repairs and maintenance, and professional fees. The decrease of US\$4.7 million or 17.6% to US\$22.0 million as compared to US\$26.7 million in 1Q2008 was primarily due to the decrease in professional and management fee expenses in the Indonesia agri-business.

Net financial expenses comprised net interest expenses (after deducting interest income), amortisation of deferred loan charges and other finance charges. The net financial expenses increased by US\$1.5 million to US\$9.9 million as compared to US\$8.4 million in 1Q2008 mainly as a result of higher interest rates on borrowings.

Foreign exchange loss of US\$3.3 million was mainly attributable to loss on translation of net IDR monetary assets of the Indonesia agri-business to US Dollar as IDR weakened against US Dollar from approximately IDR10,950 as at end of 2008 to approximately IDR11,600 as at end of March 2009. While the same translation had resulted in a gain on translation in 1Q2008 as IDR strengthened against US Dollar from approximately IDR9,400 as at end of 2007 to approximately IDR9,200 as at end of March 2008.

Income tax expense decreased by 81.7% or US\$39.0 million to US\$8.7 million in 1Q2009 as compared to US\$47.8 million in 1Q2008 in line with lower taxable profit reported in 1Q2009 in certain subsidiaries in Indonesia agri-business. No group relief is available for set-off of taxable profits against tax losses of companies within the Group.

The fair value of the Group's biological assets (plantations) is determined based on the present value of their expected net cash inflows using certain market inputs. However, in view of the current economic condition and in order to minimise volatility in the fair value adjustments during the interim periods and to better reflect the Group's intention to hold these plantations for long-term purposes, the Group has adopted the practice of determining the fair value of its biological assets on an annual basis. Accordingly, no net gain from changes in fair value of biological assets was recognised for 1Q2009 and 1Q2008.

FY2008 vs FY2007

In FY2008, the Group recorded revenue of US\$2,985.9 million, representing a growth of 59.4% or US\$1,112.5 million, as compared to US\$1,873.4 million in FY2007, whilst net profit attributable to equity holders of the Company increased 18.7% to US\$1,382.5 million from US\$1,164.8 million in FY2007.

Group revenue of US\$2,985.9 million in FY2008 comprised US\$2,327.6 million (approximately 78.0% of the Group's revenue) from the Indonesia agri-business and US\$658.3 million (approximately 22.0% of the Group's revenue) from the China agri-business.

Revenue from the Indonesia agri-business grew 66.9% or US\$932.7 million to US\$2,327.6 million in FY2008 as compared to US\$1,394.9 million in FY2007 primarily attributable to the higher average CPO price and higher sales volume during the year.

CPO price has been volatile throughout the year with a sharp decline in the fourth quarter of 2008. The international CPO (CIF Rotterdam) price rose to a historical high of more than US\$1,400.0 per tonne in March 2008 before closing at US\$527.5 per tonne at the end of December 2008. The average CPO (CIF Rotterdam) price for the year was US\$947.4 per tonne, an increase of about 22.2% from the average of US\$775.2 per tonne in FY2007. The average CPO (CIF Rotterdam) price for the fourth quarter of 2008 was US\$509.9 per tonne, a decrease of 44.8% as compared to US\$923.1 per tonne in the corresponding period in 2007.

CPO production improved by 5.1% from approximately 1,608,000 tonnes in FY2007 to approximately 1,690,000 tonnes in FY2008 whilst FFB production increased by 2.3% to approximately 6,924,000 tonnes in FY2008 as compared to approximately 6,765,000 tonnes in FY2007. The Group's FFB production during the fourth quarter of 2008 was affected by the biological slowdown caused by second year impact of drought in 2006 and damaged road in Kalimantan which caused delay in harvesting.

Revenue from the China agri-business of US\$658.3 million in FY2008 mainly comprised US\$321.8 million (FY2007: US\$253.8 million) from the refinery operations and US\$279.6 million (FY2007: US\$183.1 million) from the crushing operations. The increase of 37.6% or US\$179.9 million from US\$478.4 million in FY2007 was mainly attributable to higher average selling prices of refined edible oil products.

Group cost of sales increased by 73.6% or US\$894.8 million from US\$1,215.0 million in FY2007 to US\$2,109.8 million in FY2008.

Cost of sales from the Indonesia agri-business was US\$1,468.9 million, comprising mainly labour, plantation maintenance, manuring and harvesting costs, FFB purchases and CPO purchases for the Group's downstream business. The increase in cost of sales by US\$684.3 million from US\$784.6 million in FY2007 was mainly attributable to the higher purchase cost for FFB and CPO to meet the Group's refineries requirements coupled with higher fertiliser and maintenance costs during the year.

Cost of sales from the China agri-business was US\$640.9 million, comprising mainly purchase cost of soybean and palm oil products. The increase of US\$210.5 million was in line with the higher market prices of soybean and palm oil products.

Gross profit of the Group rose 33.1% or US\$217.8 million to US\$876.1 million as compared to US\$658.3 million in FY2007.

Gross profit margin of the Indonesia agri-business declined from 43.8% in FY2007 to 36.9% in FY2008 due to the higher purchase cost of main raw materials such as FFB, CPO and fertiliser

during the year. Furthermore, the sharp decline in international CPO price in the fourth quarter of 2008 has affected the gross profit margin.

Gross profit margin of the China agri-business decreased to 2.6% in FY2008 as compared to 10.0% in FY2007 primarily attributable to the higher purchase cost of soybean and palm oil products, as well as the price controls on cooking oil imposed by the Chinese government until July 2008. The gross profit margin was further impacted by lower selling price in the fourth quarter of 2008 in line with the decline in international commodity prices during the period.

The net gain from changes in fair value of biological assets was recognised in accordance with International Accounting Standard No. 41, whereby the biological assets (plantations) are stated at fair value less estimated point-of-sale costs from initial recognition up to the point of harvest. The fair value of plantations is determined based on the present value of their expected net cash inflows. The CPO price assumption in the valuation model is based on average price for the past 3 years. Any resultant gains or losses arising from changes in fair value are recognised in the income statement.

Net gain from changes in fair value of biological assets was US\$1,457.2 million in FY2008 as compared to US\$1,284.5 million in FY2007. The increase in net gain was mainly due to the effect of higher average CPO price used in FY2008 as compared to FY2007.

Selling expenses of US\$228.9 million in FY2008 comprised mainly export tax, transportation, advertising and promotion, and salaries. The increase in the selling expenses of US\$141.4 million was mainly attributable to the higher export tax in FY2008 as a result of higher export tax rates in Indonesia on CPO and refined palm-based products.

Prior to June 2007, Indonesia's export tax rates ranged from 0.3% to 3.0%. With effect from August 2007, the export tax rates increased and varied depending on the CPO (CIF Rotterdam) price. For the period from 1 February 2008 up to 31 October 2008, the export tax rate for CPO ranged from 0% (if CPO price per tonne is below US\$550) to 25.0% (if CPO price per tonne is above US\$1,300). Effective 1 November 2008, the export tax rate for CPO was further adjusted to a range of 0% (if CPO price per tonne is below US\$700) to 25.0% (if CPO price per tonne is above US\$1,250).

General and administrative expenses included salaries and related expenses, rent, tax and licences, depreciation, repairs and maintenance, and professional fees. The increase of 21.3% or US\$20.8 million from US\$97.3 million in FY2007 to US\$118.1 million in FY2008 was primarily due to the increase in salary and related expenses resulting from additional headcount, depreciation expenses and increased activities relating to the Group's corporate social responsibility in the Indonesia agri-business.

Net financial expenses comprised net interest expenses (after deducting interest income), amortisation of deferred loan charges and other finance charges. The net financial expenses increased by US\$7.2 million to US\$35.4 million in FY2008 as compared to US\$28.2 million in FY2007. The increase was mainly due to higher borrowings and higher market interest rates on the borrowings.

Foreign exchange loss of US\$34.7 million in FY2008 was mainly attributable to loss on translation of net IDR monetary assets of the Indonesia agri-business to US\$ as IDR weakened against US\$ from approximately IDR9,400 as at end of 2007 to approximately IDR10,950 as at end of 2008.

The Group's share of associated companies' profit was US\$5.4 million in FY2008 mainly attributable to higher contributions from PT Dami Mas Sejahtera in the Indonesia agri-business.

The exceptional gain of US\$20.1 million in FY2008 mainly related to negative goodwill arising from the acquisition of remaining shares in an associated company, which thereafter became a wholly-owned subsidiary.

Income tax expense remained at US\$528.4 million in FY2008 as compared to US\$528.6 million in FY2007. The deferred tax provided for the net gain on changes in fair value of biological assets was higher at US\$408.0 million in FY2008 as compared to US\$385.3 million in FY007 resulting from an increase in net gain from changes in fair value of biological assets in FY2008. No group relief is available for set-off of taxable profits against tax losses of companies within the Group.

Minority interests' share of profit was US\$36.1 million in FY2008 as compared to US\$109.6 million recorded in FY2007. The decrease of 67.0% or US\$73.5 million was mainly due to a decrease in minority interests' shareholding in PT SMART Tbk in the Indonesia agri-business following the Group's acquisition of additional shares during the second half of 2007.

FY2007 vs FY2006

Revenue for the Group reached US\$1,873.4 million in FY2007 as compared to US\$1,129.6 million in FY2006, representing a growth of 65.8% or US\$743.8 million. The Group's net profit attributable to equity holders of the Company increased 147.5% to US\$1,164.8 million in FY2007 from US\$470.5 million in FY2006.

Group revenue of US\$1,873.4 million in FY2007 comprised US\$1,394.9 million (approximately 74.5% of the Group's revenue) from the Indonesia agri-business and US\$478.4 million (approximately 25.5% of the Group's revenue) from the China agri-business.

Revenue from Indonesia agri-business grew 75.1% or US\$598.2 million to US\$1,394.9 million in FY2007 as compared to US\$796.7 million in the previous year mainly attributable to the higher CPO prices during the year. Average international CPO (CIF Rotterdam) price in FY2007 was US\$775.2 per tonne, an increase of about 63.0% over the average of US\$475.0 per tonne in FY2006.

CPO production was approximately 1,608,000 tonnes in FY2007, an increase of 3.5% as compared to approximately 1,553,000 tonnes produced in FY2006. Both production and revenue for FY2007 would have been higher had production not been affected by the El Nino effect in the first half of 2007. In addition, the Group's revenue was also affected by the delay in shipments in the fourth quarter of 2007 due to adverse coastal weather conditions and severe port congestion.

Revenue from China agri-business was US\$478.4 million in FY2007, with US\$253.8 million (FY2006: US\$146.3 million) from the refinery operations and US\$183.1 million (FY2006: US\$159.6 million) from the crushing operations. The 43.7% or US\$145.5 million increase as compared to US\$332.9 million in FY2006 was mainly attributable to the increase in selling prices of refined edible oil products.

The 41.3% or US\$355.2 million increase in the Group's cost of sales from US\$859.8 million in FY2006 to US\$1,215.0 million in FY2007 was mainly attributed to Indonesia agri-business.

Cost of sales from Indonesia agri-business was US\$784.6 million, comprising mainly labour, plantation maintenance, manuring and harvesting costs, FFB purchases and CPO purchases for the Group's downstream business. The increase in cost of sales by US\$228.0 million from US\$556.6 million in FY2006 was mainly attributable to the increase in purchase cost for FFB and CPO due to higher market prices. The Group purchased CPO in certain areas due to logistics reasons.

Cost of sales from China agri-business was US\$430.4 million in FY2007, comprising mainly purchase cost of soybean and palm oil products. The increase of US\$127.2 million was in line with the higher market prices of soybean and palm oil products.

The Group's gross profit rose 144.0% or US\$388.5 million to US\$658.3 million in FY2007 as compared to US\$269.8 million in FY2006. The increase in gross profit margin from 23.9% in FY2006 to 35.1% in FY2007 was primarily due to better gross profit margin from Indonesia agri-business. In line with the increase in selling prices, gross profit margin of Indonesia agri-business rose from 30.1% in FY2006 to 43.8% in FY2007.

Net gain from changes in fair value of biological assets was US\$1,284.5 million in FY2007 as compared to US\$615.7 million in FY2006. The significant increase in net gain was mainly due to the effect of higher average CPO price in line with the higher market prices.

Selling expenses of US\$87.5 million in FY2007 comprised mainly transportation, advertising and promotion, export tax and salaries. The increase in the selling expenses of US\$51.7 million was mainly attributable to the increase in Indonesia's export tax rates on CPO and refined palm based products.

General and administrative expenses included salaries and related expenses, rent, tax and licenses, depreciation, repairs and maintenance, and professional fees. The increase of 34.7% or US\$25.1 million to US\$97.3 million in FY2007 as compared to US\$72.2 million in FY2006 was primarily due to the inclusion of expenses from subsidiaries acquired during the year, higher salaries in Indonesia agri-business and increased activities relating to the Group's corporate social responsibility program.

Net financial expenses comprised net interest expenses (after deducting interest income), amortisation of deferred loan charges and other finance charges. The net financial expenses decreased marginally to US\$28.2 million as compared to US\$29.0 million in FY2006.

Foreign exchange loss of US\$3.5 million in FY2007 was mainly attributable to loss on translation of net IDR monetary assets of Indonesia agri-business to US Dollar and loss on translation of Singapore Dollar cash balances to US Dollar during the year.

The Group's share of associated companies' net profit in FY2007 was US\$2.6 million mainly attributable to higher contribution from PT Dami Mas Sejahtera and PTSM in the Indonesia agri-business.

The net exceptional gain of US\$70.4 million in FY2007 was mainly attributable to negative goodwill of US\$72.0 million arising from exercise of the option related to a convertible loan, to acquire new subsidiaries; offset by US\$3.2 million impairment loss on idle assets in China agri-business.

Income tax expense increased US\$327.5 million from US\$201.1 million in FY2006 to US\$528.6 million in FY2007 mainly attributable to increase in deferred tax provision and higher taxable profit in certain subsidiaries in Indonesia. The tax expense primarily related to the deferred tax provided on the net gain on changes in fair value of biological assets of US\$385.3 million and US\$184.7 million in FY2007 and FY2006, respectively. No group relief is available for set-off of taxable profits against tax losses of companies within the Group.

Minority interests' share of profit was US\$109.6 million in FY2007 as compared to US\$69.0 million recorded in FY2006. The increase of 58.8% or US\$40.6 million was mainly due to minority interests' share in the higher net gain from changes in fair value of biological assets.

Financial Position

4. Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of –
- (a) the most recent completed financial year for which audited financial statements have been published; or
- (b) if interim financial statements have been published for any subsequent period, that period.

Please refer to Appendix C of this Offer Information Statement.

5. The data referred to in paragraph 4 of this Part shall include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and shall in addition include the following items:
- (a) number of shares after any adjustment to reflect the sale of new securities;
- (b) net assets or liabilities per share; and
- (c) net assets or liabilities per share after any adjustment to reflect the sale of new securities.

	As at 31 March 2009	As at 31 December 2008
Number of Shares after adjustment to reflect the Rights Issue ⁽¹⁾	12,138,676,942	11,739,643,176
Number of Shares after adjustment to reflect the Rights Issue and Warrants Exercise ⁽²⁾	12,844,172,695	12,445,138,929
NAV per Share (US\$) ⁽³⁾	0.46	0.46
<i>Pro forma</i> NAV per Share after adjustment to reflect the Rights Issue ⁽⁴⁾ (US\$)	0.40	0.41
<i>Pro forma</i> NAV per Share after adjustment to reflect the Rights Issue and Warrants Exercise ⁽⁵⁾ (US\$)	0.40	0.41

Notes:

- (1) Based on the number of Shares in issue as at the end of each period under review on the assumption that the Bonus Issue Exercise was completed on 31 March 2009, and adjusted by the issue of 1,763,739,384 Rights Shares pursuant to the Rights Issue.
- (2) Based on the number of Shares in issue as at the end of each period under review on the assumption that the Bonus Issue Exercise was completed on 31 March 2009, and adjusted by the issue of 1,763,739,384 Rights Shares pursuant to the Rights Issue and 705,495,753 New Shares on the assumption that all issued Warrants have been exercised.
- (3) As reported in First Quarter Group Financial Results 2009.
- (4) *Pro forma* NAV per Share after the Rights Issue is shown after adjusting for the net proceeds from the Rights Issue (converted into US Dollar based on an exchange rate of S\$1.45 = US\$1.00 as at the Latest Practicable Date) and on the assumption that (a) the Bonus Issue Exercise was completed on 31 March 2009, and (b) that the Rights Issue was completed at the end of each period.
- (5) *Pro forma* NAV per Share after the Rights Issue and Warrants Exercise is shown after adjusting for the net proceeds from the Rights Issue and Warrants Exercise (converted into US Dollar based on an exchange rate of S\$1.45 = US\$1.00 as at the Latest Practicable Date) and on the assumption that (a) the Bonus Issue Exercise was completed on 31 March 2009, and (b) that the Rights Issue and Warrants Exercise were completed at the end of each period.

Liquidity and Capital Resources

6. Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of –
- (a) the most recent completed financial year for which financial statements have been published; and
- (b) if interim financial statements have been published for any subsequent period, that period.

	Unaudited 1Q2009 US\$'000	Audited FY2008 US\$'000
Cash flows from operating activities		
Profit before income tax	16,978	1,947,060
Adjustments for:		
Net gain from changes in fair value of biological assets	—	(1,457,197)
Depreciation	15,518	57,650
Amortisation	239	550
Unrealised foreign exchange loss/(gain) on short-term loans, long-term borrowings and receivables, net	1,961	(11,884)
Share of results of associated companies, net	(1,602)	(5,382)
(Gain)/Loss on disposal of property, plant and equipment	(129)	1,004
Property, plant and equipment written off	191	998
Negative goodwill	—	(20,133)
(Writeback)/Allowance for impairment loss on:		
Inventories, net	(1,529)	2,796
Financial assets, net	—	476
Interest income	(1,025)	(5,844)
Interest expense	10,789	39,942
Operating cash flows before working capital changes	41,391	550,036
Changes in operating assets and liabilities:		
Trade receivables	76,378	(13,598)
Inventories	(19,333)	73,851
Other receivables	2,593	18,717
Trade payables	(14,546)	(4,108)
Other payables	(3,328)	(6,917)
Cash generated from operations	83,155	617,981
Interest paid	(11,655)	(38,505)
Interest received	659	6,040
Income tax paid	(34,936)	(158,138)
Net cash from operating activities	37,223	427,378
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	2,262	7,489
Proceeds from sale of biological assets	—	2,148

	Unaudited 1Q2009 US\$'000	Audited FY2008 US\$'000
Capital expenditure on property, plant and equipment	(29,881)	(179,473)
Capital expenditure on biological assets	(9,612)	(64,593)
Net (increase)/decrease in short-term investments	(6,407)	17,509
Dividend received from an associated company	—	1,636
Investments in Plasma/KKPA program plantations, net	(309)	(4,047)
Acquisition of subsidiaries, net of cash acquired	—	(103,883)
Increase in deferred expenditure	(101)	(520)
Net increase in long-term receivables and assets	(4,312)	(17,937)
Net cash used in investing activities	(48,360)	(341,671)
Cash flows from financing activities		
Proceeds from short-term loans	74,951	283,872
Proceeds from long-term borrowings	72,626	116,805
Payments of dividends	—	(92,418)
Payments of short-term loans	(85,744)	(249,875)
Payments of long-term borrowings	(54,971)	(134,151)
Payments of obligations under finance leases	(2)	(591)
Deferred loan charges and long-term bank loan administration costs	(1,543)	(622)
Decrease/(Increase) in time deposits pledged	1,016	(626)
Net cash from/(used in) financing activities	6,333	(77,606)
Net (decrease)/increase in cash and cash equivalents	(4,804)	8,101
Cash and cash equivalents at the beginning of the period/year	128,606	120,505
Cash and cash equivalents at the end of the period/year	123,802	128,606

Note:

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

	As at 31 March 2009 US\$'000	As at 31 December 2008 US\$'000
Time deposits, cash and bank balances	127,394	133,214
Time deposits pledged	(3,592)	(4,608)
	123,802	128,606

1Q2009

The Group recorded net cash flow generated from operating activities in 1Q2009 of US\$37.2 million, primarily arising from cash inflow from operating results coupled with lower working capital requirement for the period. Net cash used in investing activities of US\$48.4 million mainly comprised US\$29.9 million capital expenditure on property, plant and equipment and US\$9.6 million capital expenditure on biological assets. Net cash generated from financing activities of US\$6.3 million was mainly attributable to the proceeds from new long-term borrowings drawn down (net of repayment) during the period.

FY2008

The Group recorded an increase in cash and cash equivalents (net of time deposits pledged) of US\$8.1 million in FY2008. This was primarily due to the net cash inflow from operating activities of US\$427.4 million, offset by the cash flow of US\$341.7 million and US\$77.6 million used in investing and financing activities respectively.

Net cash flow used in investing activities of US\$341.7 million mainly comprised US\$179.5 million capital expenditure on property, plant and equipment; US\$64.6 million capital expenditure on biological assets; and US\$103.9 million for the acquisition of new subsidiaries during the year. Net cash used in financing activities of US\$77.6 million was mainly attributable to the dividend payments during the year.

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- 7. Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgement of the offer information statement, is sufficient for present requirements and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided.**
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The Directors are of the opinion that after taking into consideration the Group's internal sources of funds, the Group's present credit facilities and the resources available to the Group, the working capital available to the Group as at the date of this Offer Information Statement is sufficient to meet its present requirements.

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- 8. If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities in the relevant entity, provide –**
- (a) a statement of that fact;**
 - (b) details of the credit arrangement or bank loan; and**
 - (c) any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).**
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As at the date of this Offer Information Statement, to the best of the Directors' knowledge, there is no breach by any entity in the Group, of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the Company's financial position and results or business operations, or the investments by holders of securities in the Company.

Trend Information and Profit Forecast or Profit Estimate

9. Discuss, for at least the current financial year, the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, as well as any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.
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A commentary 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 12 months can be found at paragraph 10 of the First Quarter Group Financial Results 2009 (which is appended in Appendix D of this Offer Information Statement).

Please also refer to the Section entitled “**Risk Factors**” of this Offer Information Statement for further details on risks relating to the Group.

10. Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.
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No profit forecast is disclosed in this Offer Information Statement.

11. Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.
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No profit forecast or profit estimate is disclosed in this Offer Information Statement.

12. Where a profit forecast is disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions referred to in paragraph 11 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.
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No profit forecast is disclosed in this Offer Information Statement.

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- 13. Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part –**
- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or**
 - (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.**
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No profit forecast is disclosed in this Offer Information Statement.

- 14. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part –**
- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or**
 - (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.**
-

No profit forecast is disclosed in this Offer Information Statement.

Significant Changes

- 15. Disclose any event that has occurred from the end of –**
- (a) the most recent completed financial year for which financial statements have been published; or**
 - (b) if interim financial statements have been published for any subsequent period, that period, to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate negative statement.**
-

Save as disclosed in this Offer Information Statement or as may have been publicly announced by the Company via SGXNET, there is no event that has occurred from 31 March 2009 to the Latest Practicable Date which may have a material effect on the financial position and results of the Group.

Meaning of “published”

In this Part, “**published**” includes publication in a prospectus, in an annual report or on the SGXNET.

PART VI: THE OFFER AND LISTING

Offer and Listing Details

-
- 1. Indicate the price at which the securities are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgement of the offer information statement, the method by which the offer price is to be determined must be explained.**
-

The issue price for the Rights Shares is S\$0.18 for each Rights Share, payable in full on acceptance and/or application. The Warrants will be allotted and issued free together with the Rights Shares subscribed.

The expenses incurred in the Rights Issue will not be specifically charged by the Company to the Entitled Shareholders, the renounees or Purchasers for subscribing for their Rights Shares with Warrants.

-
- 2. If there is no established market for the securities being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.**
-

The Shares are traded on the Official List of the Main Board of the SGX-ST.

-
- 3. If –**
 - (a) any of the relevant entity’s shareholders or equity interest-holders have pre-emptive rights to subscribe for or purchase the securities being offered; and**
 - (b) the exercise of the rights by the shareholder or equity interest-holder is restricted, withdrawn or waived,**

indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.

Other than the Rights, none of the Shareholders has pre-emptive rights to subscribe for the Rights Shares with Warrants.

As there may be prohibitions or restrictions against the offering of Rights Shares with Warrants in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the Sections entitled “**Transfer and Selling Restrictions**” and “**Eligibility of Shareholders to Participate in the Rights Issue**” of this Offer Information Statement for further information.

-
4. If securities of the same class as those securities being offered are listed for quotation on any securities exchange –
- (a) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities –
- (i) for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and
- (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or
- (b) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities –
- (i) for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and
- (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;
- (c) disclose any significant trading suspension that has occurred on the securities exchange during the 3 years immediately preceding the latest practicable date or, if the securities have been listed for quotation for less than 3 years, during the period from the date on which the securities were first listed to the latest practicable date; and
- (d) disclose information on any lack of liquidity, if the securities are not regularly traded on the securities exchange.
-

- (a) The highest and lowest closing prices and the volume of the Shares traded on the Official List of the Main Board of the SGX-ST for each of the 12 calendar months immediately preceding the Latest Practicable Date and for the period from 1 June 2008 to the Latest Practicable Date are as follows:

<u>Month</u>	<u>Price Range</u>		<u>Volume of Shares</u>
	<u>High</u> <u>(S\$)</u>	<u>Low</u> <u>(S\$)</u>	<u>(million)</u>
June 2008	1.02	0.86	847.77
July 2008	0.86	0.68	631.66
August 2008	0.66	0.54	708.17
September 2008	0.61	0.30	1,487.27
October 2008	0.32	0.16	2,040.01
November 2008	0.22	0.16	2,315.90
December 2008	0.24	0.19	1,619.65

	Price Range		Volume of Shares
	High (\$)	Low (\$)	(million)
January 2009	0.30	0.24	2,035.34
February 2009	0.32	0.26	1,775.58
March 2009	0.30	0.25	1,423.52
April 2009	0.39	0.28	2,270.26
May 2009	0.49	0.37	3,473.02
1 June 2009 to 23 June 2009 (being the Latest Practicable Date)	0.47	0.39	1,380.25

Note:

For comparison purposes, prices and volumes prior to 26 March 2009 have been adjusted to account for the effect of the Bonus Issue Exercise.

Source: Bloomberg Finance L.P.. Bloomberg Finance L.P. has not consented for the purposes of Sections 249 and 277 of the Securities and Futures Act to the inclusion of the information referred to above and is thereby not liable for such information under Sections 253 and 254 of the Securities and Futures Act. The Company and the Joint Lead Managers and Joint Underwriters have included the above information in its proper form and context and have not verified the accuracy of such information.

- (b) Not applicable, as the Shares have been listed for quotation on the Official List of the Main Board of the SGX-ST for more than 12 months immediately preceding the Latest Practicable Date.
- (c) There has been no significant trading suspension of the Shares on the Official List of the Main Board of the SGX-ST during the three (3) years immediately preceding the Latest Practicable Date.
- (d) None.

5. Where the securities being offered are not identical to the securities already issued by the relevant entity, provide –

- (a) statement of the rights, preferences and restrictions attached to the securities being offered; and**
 - (b) an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities, to rank in priority to or *pari passu* with the securities being offered.**
-

The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the Record Date for which falls on or after the date of allotment and issue of the Rights Shares.

The New Shares will, upon allotment and issue, rank *pari passu* in all respects with the then issued Shares for any dividends, rights, allotments or other distributions, the Record Date for which falls on or after the date of the allotment and issue of the New Shares.

The Company has no existing warrants in issue. Please refer to the Section entitled “**Summary of the Rights Issue**”, paragraph 1 of the Section entitled “**Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 — Additional Information Required for Offer of Securities by Way of Rights Issue**” and Appendix A of this Offer Information Statement for the terms and conditions, and rights and liabilities of the Warrants.

The Rights Shares with Warrants and New Shares are to be issued pursuant to the rights issue mandate and share issue mandate, being the authority to issue Shares, granted by Shareholders to the Directors of the Company, which was obtained at the Annual Meeting of the Company held on 28 April 2009.

Plan of Distribution

- 6. Indicate the amount, and outline briefly the plan of distribution, of the securities that are to be offered otherwise than through underwriters. If the securities are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.**
-

Basis of Provisional Allotment

The Rights Issue is made on an underwritten renounceable basis to Entitled Shareholders on the basis of 17 Rights Shares for every 100 existing Shares standing to the credit of the Securities Accounts of the Entitled Depositors or held by the Entitled Scripholders, as the case may be, as at the Books Closure Date, and two (2) Warrants for every five (5) Rights Shares subscribed, fractional entitlements to be disregarded.

The Rights Shares are payable in full upon acceptance and/or application and will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the Record Date for which falls on or after the date of allotment and issue of the Rights Shares. The New Shares will, upon allotment and issue, rank *pari passu* in all respects with the then issued Shares for any dividends, rights, allotments or other distributions, the Record Date for which falls on or after the date of allotment and issue of the New Shares.

Up to 1,763,739,384 Rights Shares with Warrants will be issued. For further details, please refer to paragraph 1 in the Section entitled “**Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 — Offer Statistics and Timetable**” of this Offer Information Statement.

Entitled Shareholders

Entitled Shareholders will be provisionally allotted the Rights Shares with Warrants on the basis of their shareholdings as at the Books Closure Date. Entitled Shareholders will be at liberty to accept, decline or renounce, in whole or in part, their provisional allotments of Rights Shares with Warrants and will be eligible to apply for Rights Shares with Warrants in excess of their provisional allotments under the Rights Issue. Entitled Depositors will also be able to trade on the SGX-ST, during the provisional allotments trading period prescribed by the SGX-ST, their provisional allotments of Rights Shares with Warrants. Provisional allotments which are not taken up for any reason shall be used to satisfy excess applications (if any) or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

Fractional entitlements to the Rights Shares with Warrants will be disregarded in arriving at the Shareholders' entitlements and will, together with such Rights Shares with Warrants that are not validly taken up by Entitled Shareholders or their respective renouncee(s) or Purchaser(s), any unsold "nil-paid" provisional allotments of Rights Shares with Warrants of Foreign Shareholders and any Rights Shares with Warrants that are otherwise not allotted for whatever reason, in accordance with the terms and conditions contained in the Offer Information Statement, the ARE, the ARS, the PAL and (if applicable) the Constitution of the Company, be aggregated and used to satisfy excess Rights Shares with Warrants applications (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. For the avoidance of doubt, only Entitled Shareholders (and not the Purchasers or the renounees) shall be entitled to apply for additional Rights Shares with Warrants in excess of their provisional allotments.

In the allotment of any excess Rights Shares with Warrants, preference will be given to Shareholders for the rounding of odd lots, and Directors and Substantial Shareholders will rank last in priority.

The Rights Shares with Warrants are not offered through the selling efforts of any broker or dealer other than the Joint Lead Managers and Joint Underwriters.

Foreign Shareholders

As there may be prohibitions or restrictions against the offering of Rights Shares with Warrants in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the Sections entitled "**Transfer and Selling Restrictions**" and "**Eligibility of Shareholders to Participate in the Rights Issue**" of this Offer Information Statement for further details.

Notwithstanding the foregoing, a limited number of persons located in the United States, whom the Company reasonably believes to be QIBs, may be able to purchase Rights Shares with Warrants being offered in the Rights Issue (pursuant to the exercise of Rights) by way of a private placement pursuant to an applicable exemption from registration under the Securities Act, provided that they furnish a signed investor representation letter in the form set out in Appendix I of this Offer Information Statement, which will also contain restrictions and procedures regarding the transfer of Rights Shares with Warrants. The Company and the Joint Lead Managers and Joint Underwriters reserve the absolute discretion in determining whether to allow such participation as well as the identity of the persons who may be allowed to do so.

Each purchaser of Rights Shares with Warrants being offered and sold outside the United States will be deemed to have represented and agreed, among other things, that the purchaser is acquiring the Rights Shares with Warrants in an offshore transaction meeting the requirements of Regulation S under the Securities Act.

7. Provide a summary of the features of the underwriting relationship together with the amount of securities being underwritten by each underwriter.

Under the Management and Underwriting Agreement:

- (a) the Joint Lead Managers and Joint Underwriters have agreed to manage the Rights Issue; and
- (b) the Joint Lead Managers and Joint Underwriters have severally agreed to procure subscribers for or failing which, to subscribe for, the Rights Shares with Warrants not taken up (but only to the extent that such Rights Shares with Warrants not taken up exceeds the

number of Rights Shares with Warrants which have been validly subscribed for pursuant to excess applications) by the Closing Date at the Issue Price up to the number of Rights Shares with Warrants set forth opposite each of their names below (after adjustment for the Excluded Rights Shares):

Names of Joint Lead Managers and Joint Underwriters	Number of Rights Shares with Warrants Underwritten
BNP Paribas, Singapore Branch	362,672,606
Credit Suisse (Singapore) Limited	362,672,606
UBS AG, acting through its business division, UBS Investment Bank	181,336,303
Total	906,681,515

“**Excluded Rights Shares**” are the 857,057,869 Rights Shares with Warrants comprised in the Irrevocable Undertakings.

The Management and Underwriting Agreement is conditional upon certain events, including the in-principle approval from the SGX-ST for the dealing in, listing and quotation of the Rights Shares, the Warrants and the New Shares remaining in full force and effect and fulfilment of all conditions contained in such in-principle approval or imposed by the SGX-ST thereafter to the satisfaction of the Joint Lead Managers and Joint Underwriters. In-principle approval from the SGX-ST has been obtained on 19 June 2009.

Please refer to paragraph 8 in the Section entitled “**Sixteen Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 — Key Information**” for details of the underwriting, management and selling fee payable by the Company to the Joint Lead Managers and Joint Underwriters.

The Joint Lead Managers and Joint Underwriters may arrange sub-underwriting for some, all or none of the Rights Shares.

Each of the Joint Lead Managers and Joint Underwriters is entitled under the Management and Underwriting Agreement to terminate the Management and Underwriting Agreement in relation to itself upon the occurrence of certain events, including a breach of warranties, representations and undertakings contained in the Management and Underwriting Agreement and a Material Adverse Effect (as defined in the Management and Underwriting Agreement). Under the Management and Underwriting Agreement, a Joint Lead Manager and Joint Underwriter may not terminate the Management and Underwriting Agreement upon the occurrence of certain force majeure events as stipulated in the Management and Underwriting Agreement on or after commencement of the ex-rights trading on 25 June 2009.

Under the Management and Underwriting Agreement, the Company has agreed, other than in connection with the Rights Issue, *inter alia*, that the Company and its listed subsidiaries will not (without the prior written consent of the Joint Lead Managers and Joint Underwriters) directly or indirectly offer, issue, sell, contract to issue or sell, or grant any option to purchase any Shares or convertible securities from the date of the Management and Underwriting Agreement to the date falling three (3) months after the date on which the Rights Shares with Warrants are allotted and issued, save in the case of the issuance of new Shares pursuant to the vesting and delivery of awards pursuant to the GAR Group RSP.

PART VII: ADDITIONAL INFORMATION

Statements by Experts

- 1. Where a statement or report attributed to a person as an expert is included in the offer information statement, provide such person's name, address and qualifications.**
-

Not applicable.

- 2. Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert –**
- (a) state the date on which the statement was made;**
 - (b) state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and**
 - (c) include a statement that the expert has given, and has not withdrawn, his written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.**
-

Not applicable.

- 3. The information referred to in paragraphs 1 and 2 of this Part need not be provided in the offer information statement if the statement attributed to the expert is a statement to which the exemption under regulation 26(2) or (3) applies.**
-

Not applicable.

Consents from Issue Managers and Underwriters

- 4. Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.**
-

Each of the Joint Lead Managers and Joint Underwriters has given, and has not, before the lodgement of this Offer Information Statement with the Authority, withdrawn its written consent to being named in this Offer Information Statement as one of the Joint Lead Managers and Joint Underwriters of the Rights Issue.

Other Matters

5. Include particulars of any other matters not disclosed under any other paragraph of this Schedule which could materially affect, directly or indirectly –

- (a) the relevant entity's business operations or financial position or results; or**
 - (b) investments by holders of securities in the relevant entity.**
-

Save as disclosed in this Offer Information Statement, the Directors are not aware of any other matters which could materially affect, directly or indirectly, the Company's business operations or financial position or results, or investments by holders of securities in the Company.

**PART VIII: ADDITIONAL INFORMATION REQUIRED FOR OFFER OF DEBENTURES
OR UNITS OF DEBENTURES**

Not applicable.

PART IX: ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES

Not applicable.

**PART X: ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES
BY WAY OF RIGHTS ISSUE**

1. Provide –

- (a) the particulars of the rights issue;**
 - (b) the last day and time for splitting of the provisional allotment of the securities to be issued pursuant to the rights issue;**
 - (c) the last day and time for acceptance of and payment for the securities to be issued pursuant to the rights issue;**
 - (d) the last day and time for renunciation of and payment by the renounee for the securities to be issued pursuant to the rights issue;**
 - (e) the terms and conditions of the offer of securities to be issued pursuant to the rights issue;**
-

- (a) Please refer to the Section entitled "**Summary of the Rights Issue**" of this Offer Information Statement, as well as to Appendix A of this Offer Information Statement for further details in relation to the terms and conditions of the Warrants as set out in the Instrument.
- (b) The last day and time for splitting Rights is 10 July 2009 at 5.00 p.m..
- (c) The last day and time for acceptance of and payment for the Rights Shares with Warrants is 16 July 2009 at 5.00 p.m. (at 9.30 p.m. for Electronic Applications).
- (d) The last day and time for renunciation of and payment for the Rights Shares with Warrants is 16 July 2009 at 5.00 p.m..

- (e) The allotment and issue of the Rights Shares with Warrants pursuant to the Rights Issue are governed by the terms and conditions as set out in this Offer Information Statement, in particular Appendices E, F and G of this Offer Information Statement and in the PAL, the ARE and the ARS.

(f) the particulars of any undertaking from the substantial shareholders or substantial equity interest-holders, as the case may be, of the relevant entity to subscribe for their entitlements; and

As at the Latest Practicable Date, the Undertaking Shareholders, together with their respective nominees and custodians, directly hold an aggregate of 5,041,516,884 Shares, representing in aggregate approximately 48.59% of the total issued share capital of the Company in the proportions set out below:

- (i) Flambo International Limited, together with its nominees and custodians, directly holds interests in 3,009,798,598 Shares, representing approximately 29.01% of the total issued share capital of the Company; and
- (ii) Massingham International Ltd, together with its nominees and custodians, directly holds interests in 2,031,718,286 Shares representing approximately 19.58% of the total issued share capital of the Company.

To demonstrate their commitment to the Company, each of the Undertaking Shareholders had on 27 May 2009, irrevocably undertaken with the Company and the Joint Lead Managers and Joint Underwriters, *inter alia*, to subscribe and pay in full for the whole of their entitlements of Rights Shares with Warrants under the Rights Issue in accordance with the terms and conditions of the Rights Issue.

The Irrevocable Undertakings are subject to and conditional upon, *inter alia*, the following:

- (a) in-principle approval having been granted by the SGX-ST for the dealing in, listing and quotation of the Rights Shares, the Warrants and the New Shares on the Official List of the Main Board of the SGX-ST; and
- (b) lodgement of the Offer Information Statement together with all other necessary accompanying documents (if applicable) by the Company with the Authority.

(g) if the rights issue is or will not be underwritten, the reason for not underwriting the issue.

The Rights Issue is underwritten by the Joint Lead Managers and Joint Underwriters severally pursuant to the terms of the Management and Underwriting Agreement.

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8.2 OF THE LISTING MANUAL

1. Provide a review of the working capital for the last three financial years and the latest half year, if applicable.

The working capital of the Group as at 31 December 2008, 31 December 2007 and 31 December 2006 are as follows:–

	← As at 31 December →		
	2008 US\$'000	2007 US\$'000	2006 US\$'000
Total current assets	707,481	763,817	424,000
Less:			
Total current liabilities	547,989	517,790	347,916
Working Capital	159,492	246,027	76,084

As at 31 December 2008 vs 31 December 2007

Current assets was US\$707.5 million as at 31 December 2008, a decrease of 7.4% or US\$56.3 million from US\$763.8 million as at 31 December 2007. The decrease was mainly attributable to lower inventory level at the end of the year in the China agri-business.

Current liabilities was US\$548.0 million as at 31 December 2008, an increase of 5.8% or US\$30.2 million from US\$517.8 million as at 31 December 2007. The increase was mainly due to the increase in short-term loans of US\$47.1 million from US\$262.4 million primarily attributable to the operation of the new refinery in Kalimantan.

As at 31 December 2007 vs 31 December 2006

Current assets was US\$763.8 million as at 31 December 2007, an increase of 80.1% or US\$339.8 million from US\$424.0 million as at 31 December 2006. The increase was mainly due to increases in inventories, and trade and other receivables. Inventories increased by US\$167.4 million to US\$311.5 million mainly attributable to higher inventories in the Indonesia agri-business in line with higher commodity prices. Other receivables increased by US\$86.0 million to US\$186.3 million mainly attributable to increase in advance payment mainly for CPO purchases and higher prepaid value added tax as a result of higher purchases during the year.

Current liabilities was US\$517.8 million as at 31 December 2007, an increase of 48.8% or US\$169.9 million from US\$347.9 million as at 31 December 2006. The increase was mainly due to increases in short-term loans, trade payables and taxes payable. The increase in short-term loans of US\$75.7 million was mainly attributable to the additional working capital facilities during the year. Trade payables increased by US\$38.9 million mainly related to the payables for the soybean purchased for the China agri-business. Taxes payable increased by US\$30.1 million mainly attributable to higher income tax expenses provided as a result of better profit contribution from Indonesia agri-business.

-
2. **Where the rights issue or bought deal involves an issue of convertible securities, such as company warrants or convertible debt, the information in Rule 832.**
-

The information required in Rule 832 has been set out at paragraph 1(a) of the Section entitled “**Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 — Additional Information Required for Offer of Securities by Way of Rights Issue**” and paragraph 3 of the Section entitled “**Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 — Key Information — Use of Proceeds from Offer and Expenses Incurred**” of this Offer Information Statement.

Please also see paragraphs 2 and 5 of the Section entitled “**Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 — Operating and Financial Review**” for the financial effects of the Rights Issue.

-
3. **Where the rights issue or bought deal is underwritten and the exercise or conversion price is based on a price-fixing formula, to state that the exercise or conversion price must be fixed and announced before trading of nil-paid rights commence.**
-

The Exercise Price has been fixed at S\$0.54 for each New Share, subject to adjustment(s) under certain circumstances in accordance with the terms and conditions as set out in the Instrument.

-
4. **A statement by the issue manager that, to the best of its knowledge and belief, the document constitutes full and true disclosure of all material facts about the issue, the issuer and its subsidiaries, and that the issue manager is not aware of any facts the omission of which would make any statement in the document misleading; and where the document contains a profit forecast, that it is satisfied that the profit forecast has been stated by the directors after reasonable enquiry.**
-

As provided in Appendix 8.2 of the Listing Manual, this requirement is not applicable if an issuer has to comply with the offer information statement requirements in the SFA.

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TERMS AND CONDITIONS OF THE WARRANTS

The following description relating to the terms and conditions of the Warrants has been extracted from, and is qualified in its entirety by, and is subject to the Instrument. Copies of the Instrument are available for inspection at the office of the Warrant Agent.

The up to 705,495,753 warrants (the “**Warrants**”) to subscribe for up to 705,495,753 new ordinary shares of US\$0.025 each (the “**Shares**”) in aggregate at an Exercise Price (as defined herein) of S\$0.54 for each new Share in the capital of Golden Agri-Resources Ltd (the “**Company**”) are issued subject to and with the benefit of an Instrument (the “**Instrument**”) dated 29 June 2009 executed by way of deed poll by the Company. The issue of the Warrants was authorised by a resolution of the shareholders of the Company passed on 28 April 2009. The statements in these terms and conditions of the Warrants (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Instrument. Copies of the Instrument are available for inspection at the specified office of the warrant agent referred to in Condition 4(g) (the “**Warrant Agent**”) and the holders of the Warrants (the “**Warrantholders**”) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Instrument.

1. Definitions

For the purposes of these Conditions and subject as otherwise provided herein:

“**Approved Bank**” means any reputable bank or merchant bank duly licensed under the Securities and Futures Act (Chapter 289) of Singapore or such other applicable legislation, for the purposes of advising on corporate finance and selected by the Directors;

“**Auditors**” means the auditors for the time being of the Company or, if there shall be joint auditors, any one or more of such auditors or, in the event of their being unable or unwilling to carry out any action requested of them pursuant to the provisions of the Instrument or the Conditions, such other auditors as may be nominated by the Company;

“**Business Day**” means a day (other than a Saturday, Sunday or public holiday) on which banks in Singapore, the SGX-ST, the Depository and the Warrant Agent are open for business;

“**Companies Act**” means the Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time;

“**Depositor**”, “**Depository**” and “**Depository Agent**” shall have the respective meanings ascribed to them in Section 130A of the Companies Act;

“**Depository Register**” means the register maintained by the Depository pursuant to Division 7A of Part IV of the Companies Act in respect of the Warrants registered in the name of the Depository;

“**Directors**” means the directors of the Company for the time being;

“**Exercise Date**” means, the date falling on the third (3rd) anniversary of the date of issue of the Warrants, provided if such day falls on a date on which the Register of Members of the Company and/or the Register of Warrantholders are closed or is not a Business Day, then the “**Exercise Date**” shall be the next Business Day on which the Register of Members and the Register of Warrantholders are open;

“Exercise Notice” means a notice (for the time being current) for the exercise of the Warrants, copies of which may be obtained from the Warrant Agent;

“Exercise Price” means, in respect of each Warrant, S\$0.54 for each Share, subject to adjustment in accordance with Condition 5;

“Last Dealt Price” means, in relation to a Share on a relevant Market Day, the average of the last dealt price per Share for one (1) or more board lots of Shares on each of the five (5) preceding Market Days up to and including that Market Day on which there is trading of the Shares on the SGX-ST;

“Lodgement Period” means the period commencing at any time after 10.00 a.m. (Singapore time) five (5) Business Days immediately preceding the Exercise Date but not later than 10.00 a.m. (Singapore time) on the Exercise Date;

“Market Day” has the meaning ascribed to it in the Listing Manual of the SGX-ST;

“Register” means the Register of Warrantheolders to be maintained by the Warrant Agent pursuant to Condition 4(f);

“Registrar” means B.A.C.S. Private Limited;

“Securities Account” means a securities account maintained by a Depositor with the Depository but does not include a sub-account maintained with a Depository Agent;

“SGX-ST” means Singapore Exchange Securities Trading Limited;

“Shares” means ordinary shares each having a par value of US\$0.025 in the share capital of the Company;

“Special Account” means the account maintained by the Company with a bank in Singapore for the purpose of crediting moneys paid by exercising Warrantheolders in satisfaction of the Exercise Price in relation to the Warrants exercised by such exercising Warrantheolders;

“Warrant Certificates” means the certificates (in registered form) to be issued in respect of the Warrants in or substantially in the form set out in Schedule 1 of the Instrument, as from time to time modified in accordance with the provisions set out herein; and

“Warrantheolders” means the registered holders of the Warrants, except that where the registered holder is the Depository, the term **“Warrantheolders”** shall, in relation to Warrants registered in the name of the Depository, include, where the context requires, the Depositors whose Securities Account(s) with the Depository are credited with Warrants and provided that for the purposes of Schedule 2 of the Instrument relating to meetings of Warrantheolders, such Warrantheolders shall mean those Depositors having Warrants credited to their securities account(s) as shown in the records of the Depository as at a time 48 hours prior to the time of a meeting of Warrantheolders supplied by the Depository to the Company, and the word **“holder”** or **“holders”** in relation to Warrants shall (where appropriate) be construed accordingly.

2. Form and Title

- (a) The Warrants are issued in registered form. Title to the Warrants will be transferable in accordance with Condition 9. The Warrant Agent will maintain the Register on behalf of the Company and, except as required by law, (i) the person in whose name a Warrant is registered (other than the Depository); and (ii) (where the registered holder of Warrants is the Depository) each Depositor for the time being appearing in the records maintained by the Depository as having Warrants credited to its Securities Account(s), will be deemed to be and be treated as the absolute owner thereof (whether or not the Company shall be in default in respect of the Warrants or its covenants contained in the Instrument and notwithstanding any notice of ownership or writing hereon or notice of any previous loss or theft of the relevant Warrant Certificate or any irregularity or error in the Register or records of the Depository) for the purpose of giving effect to the exercise of the rights constituted by the Warrants and for all other purposes in connection with the Warrants.
- (b) If two (2) or more persons are entered in the Register or (as the case may be) the records maintained by the Depository, as joint holders of any Warrant, they shall be deemed to hold the same as joint tenants with benefit of survivorship subject to the following provisions:
 - (i) the Company shall not be bound to register more than two (2) persons as the registered joint holders of any Warrant but this provision shall not apply in the case of executors or administrators of a deceased Warrantholder where such executors or administrators are entered into the Depository Register;
 - (ii) joint holders of any Warrant whose names are entered in the Register or (as the case may be) the relevant records maintained by the Depository shall be treated as one (1) Warrantholder;
 - (iii) the Company shall not be bound to issue more than one (1) Warrant Certificate for a Warrant registered jointly in the names of several persons and delivery of a Warrant Certificate to the joint holder whose name stands first in the Register or (as the case may be) the relevant records maintained by the Depository shall be sufficient delivery to all; and
 - (iv) the joint holders of any Warrant whose names are entered in the Register or (as the case may be) the relevant records maintained by the Depository shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such Warrant.

3. Exercise Rights

- (a) Upon and subject to these Conditions, each Warrantholder shall have the right, by way of exercise of a Warrant on the Exercise Date, during the Lodgement Period in the manner set out in Condition 4 and otherwise on the terms and subject to the Conditions set out below, to subscribe for one (1) new Share at the Exercise Price, subject to adjustments in accordance with Condition 5, on the Exercise Date. The Exercise Price shall, on the Exercise Date, be applied towards the payment for the Shares to be issued on the exercise of the relevant Warrant. Each Warrant shall, following its exercise in accordance with these Conditions, be cancelled by the Company.
- (b) After the Exercise Date, any Warrants which have not been exercised will lapse and cease to be valid for any purpose.

- (c) Any Warrant in respect of which the Exercise Notice shall not have been duly completed and delivered in the manner set out below under Condition 4 to the Warrant Agent on or before 10.00 a.m. (Singapore time) on the Exercise Date shall become void.

4. Procedure for Exercise of Warrants

(a) Lodgement Conditions

In order to exercise one (1) or more Warrants on the Exercise Date, a Warrantholder must, during the Lodgement Period, fulfil the following conditions:

- (i) lodgement of the relevant Warrant Certificate registered in the name of the exercising Warrantholder for exercise at the specified office of the Warrant Agent together with the Exercise Notice in respect of the Warrants represented thereby in the form (for the time being current) obtainable from the Warrant Agent, duly completed and signed by or on behalf of the exercising Warrantholder and duly stamped in accordance with any law for the time being in force relating to stamp duty, provided always that the Warrant Agent may dispense with the production of the relevant Warrant Certificate where such Warrant Certificate is registered in the name of the Depository;
- (ii) the furnishing of such evidence (if any) as the Warrant Agent may require to determine the due execution of the Exercise Notice by or on behalf of the exercising Warrantholder (including every joint Warrantholder, if any) or otherwise to ensure the due exercise of the Warrants;
- (iii) the payment or satisfaction of the Exercise Price in accordance with the provisions of paragraph (b) below;
- (iv) the payment of deposit or other fees for the time being chargeable by, and payable to, the Depository (if any) or any stamp, issue, registration or other similar taxes or duties arising on the exercise of the relevant Warrants as the Warrant Agent may require; and
- (v) if applicable, the payment of any fees for certificates for the Shares to be issued and the expenses of, and the submission of any necessary documents required in order to effect, the delivery of certificates for the Shares upon exercise of the relevant Warrants to the place specified by the exercising Warrantholder in the Exercise Notice.

Any exercise by a Warrantholder in respect of Warrants registered in the name of the Depository shall be further conditional on that number of Warrants so exercised being credited to the "Free Balance" of the Securities Account(s) of the exercising Warrantholder and remain so credited until the Exercise Date and on the exercising Warrantholder electing in the Exercise Notice to have the delivery of the Shares arising from the exercise of the relevant Warrants to be effected by crediting such Shares to the Securities Account(s) of the exercising Warrantholder, failing which the Exercise Notice shall be void and all rights of the exercising Warrantholder and of any other person thereunder shall cease.

Warrantholders whose Warrants are registered in the name of the Depository irrevocably authorise the Company and the Warrant Agent to obtain from the Depository and to rely upon such information and documents and as the Company or the Warrant Agent deems necessary to satisfy itself that all the abovementioned conditions have been fulfilled and such other information as the Company or the Warrant Agent may require in accordance with these Conditions and the Instrument and to take such steps as may be required by the Depository in connection with the operation of the Securities Account of any Warrantholder.

Once all the abovementioned conditions (where applicable) have been fulfilled, the relevant Warrant Certificate(s) (if any), Exercise Notice and any moneys tendered in or towards payment of the Exercise Price in accordance with paragraph (b) below may not be withdrawn without the consent in writing of the Company.

(b) Payment of Exercise Price

Payment of the Exercise Price shall be made at the specified office of the Warrant Agent by way of a remittance in Singapore currency by a Warrantholder by banker's draft or cashier's order drawn on a bank operating in Singapore, for the credit of the Special Account for the full amount of the Exercise Price payable in respect of the Warrants exercised, provided that any such remittance shall be accompanied by the delivery to the Warrant Agent of the payment advice referred to below and shall comply with any exchange control or other statutory requirement for the time being applicable.

Each such payment shall be made free of any foreign exchange commissions, remittance charges or other deductions and shall be accompanied by a payment advice containing (i) the name of the exercising Warrantholder; (ii) the certificate numbers of the relevant Warrant Certificates in respect of the Warrants being exercised or, if the relevant Warrant Certificates are registered in the name of the Depository, the Securities Account(s) of the exercising Warrantholder which is to be debited with the Warrants being exercised; and (iii) the number of Warrants tendered for exercise.

If the payment advice fails to comply with the foregoing provisions, the Warrant Agent may, at its absolute discretion and without liability on behalf of itself or the Company, refuse to recognise the relevant payment as relating to the exercise of any particular Warrant, and the exercise of the relevant Warrants may accordingly be delayed or treated as invalid. If the relevant payment received by the Warrant Agent in respect of an exercising Warrantholder's purported payment of the Exercise Price relating to all the relevant Warrants lodged with the Warrant Agent is less than the full amount of such Exercise Price, the Warrant Agent shall not treat the relevant payment so received or any part thereof as payment of the Exercise Price or any part thereof and, accordingly, the whole of such relevant payment shall remain in the Special Account (subject to paragraph (d) below) unless and until a further payment is made in accordance with the requirements set out above in this paragraph (b) in an amount sufficient to cover the deficiency.

(c) Exercise Date

A Warrant shall (provided that the provisions of Condition 4(a) have been satisfied) be treated as being exercised on the Exercise Date.

(d) Special Account

Payment of the Exercise Price received by the Warrant Agent for credit to the Special Account will be available for release to the Company on the Business Day after the Exercise Date in payment for the Shares to be delivered in consequence of the exercise of the Warrants. The relevant Warrant Certificates shall be cancelled on the Exercise Date except that, in relation to Warrant Certificates in the name of the Depository, such Warrant Certificates shall be cancelled as soon as possible after receipt by the Warrant Agent from the Depository of a schedule stating the particulars of the Warrant Certificates which are to be cancelled.

If such payment is made to the Warrant Agent and such payment is not recognised by the Warrant Agent as relating to the exercise of the relevant Warrants or the relevant payment is less than the full amount of the Exercise Price, or the conditions set out in paragraph (a) have not then all been fulfilled in relation to the exercise of such Warrants, such payment will remain in the Special Account pending recognition of such payment or full payment or, fulfilment of the lodgement conditions, as the case may be, but within 14 days of the Exercise Date, such payment will be returned, without interest, to the person who remitted such payment. The Warrant Agent will, if it is possible to relate the payment so returned to any Warrant Certificates (if applicable), and the Exercise Notice previously lodged with the Warrant Agent, return such Warrant Certificates (if applicable) and the relevant Exercise Notice to the exercising Warrantheader at the risk and expense of such Warrantheader. The Company will be entitled to deduct or otherwise recover from the exercising Warrantheader any applicable handling charges and out-of-pocket expenses of the Warrant Agent.

(e) Allotment of Shares

A Warrantheader exercising Warrants which are registered in the name of the Depository must elect in the Exercise Notice to have the delivery of Shares arising from the exercise of such Warrants effected by crediting such Shares to the Securities Account of such Warrantheader. A Warrantheader exercising Warrants registered in his own name may elect in the Exercise Notice to either receive physical share certificates in respect of the Shares arising from the exercise of such Warrants or to have the delivery of such Shares effected by crediting such Shares to his Securities Account with the Depository in which case, such Warrantheader shall also duly complete and deliver to the Warrant Agent such forms as may be required by the Depository, failing which such exercising Warrantheader shall be deemed to have elected to receive physical share certificates in respect of such Shares at his address specified in the Register of Warrantheaders.

The Company shall allot and issue the Shares arising from the exercise of the relevant Warrants by a Warrantheader in accordance with the instructions of such Warrantheader as set out in the Exercise Notice and:

- (i) where such Warrantheader has (or is deemed to have) elected in the Exercise Notice to receive physical share certificates in respect of the Shares arising from the exercise of the relevant Warrants, the Company shall despatch, as soon as practicable but in any event not later than five (5) Business Days after the Exercise Date, by ordinary post to the address specified in the Exercise Notice and at the risk of such Warrantheader the certificates relating to such Shares registered in the name of such Warrantheader; and
- (ii) where such Warrantheader has elected in the Exercise Notice to have the delivery of Shares arising from the exercise of the relevant Warrants to be effected by the crediting of the Securities Account of such Warrantheader as specified in the Exercise Notice, the Company shall as soon as practicable but not later than five (5) Business Days after the Exercise Date despatch the certificates relating to such Shares in the name of, and to, the Depository for the credit of the Securities Account of such Warrantheader as specified in the Exercise Notice.

(f) **Register of Warrantheolders**

The Warrant Agent will maintain the Register, which shall be closed during such periods as the Register of Transfers of the Company may be closed and during such periods as may be required to determine the adjustments to the Exercise Price and/or the number of Warrants under Condition 5. Notice of the closure of the Register will be given to the Warrantheolders in accordance with Condition 12.

(g) **Warrant Agent and Registrar**

The names of the initial Warrant Agent and the Registrar and its specified office is set out below:

Warrant Agent and Registrar: B.A.C.S. Private Limited

Address: 63 Cantonment Road, Singapore 089758

The Company reserves the right at any time to vary or terminate the appointment of the Warrant Agent or the Registrar and to appoint an additional or another Warrant Agent or Registrar, provided that it will at all times maintain a Warrant Agent having a specified office in Singapore so long as the Warrants are outstanding. Notice of any such termination or appointment and of any changes in the specified offices of the Warrant Agent or the Registrar will be given to the Warrantheolders in accordance with Condition 12.

5. Adjustments of Exercise Price and Number of Warrants

- (a) The Exercise Price and the number of Warrants held by each Warrantheolder shall from time to time be adjusted by the Directors in consultation with an Approved Bank and certified to be in accordance with Condition 5(b) by the Auditors. The Exercise Price and the number of Warrants held by each Warrantheolder shall from time to time be adjusted as provided in these Conditions and the Instrument in all or any of the following cases:
- (i) any consolidation, subdivision or conversion of the Shares; or
 - (ii) an issue by the Company of Shares credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature) to its members ("**Members**") (other than an issue of Shares to Members who elect to receive Shares in lieu of cash as dividend); or
 - (iii) a Capital Distribution (as defined below) made by the Company to its Members whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets); or
 - (iv) an offer or invitation made by the Company to its Members whereunder they may acquire or subscribe for Shares by way of rights; or
 - (v) an issue (otherwise than pursuant to a rights issue available to all Members, requiring an adjustment under Condition 5(a)(iv), and other than an issue of Shares to Members who elect to receive Shares in lieu of cash as dividend) by the Company of Shares, if the Total Effective Consideration (as defined below) for each Share is less than 90 per cent of the Last Dealt Price for each Share (calculated as provided below).

(b) Subject to these Conditions and the Instrument, the Exercise Price and the number of Warrants held by each Warrantholder shall from time to time be adjusted in accordance with the following provisions (but so that if the event giving rise to any such adjustment shall be capable of falling within any two or more of paragraphs (i) to (v) of Condition 5(a) or if such event is capable of giving rise to more than one adjustment, the adjustment shall be made in such manner as the Approved Bank shall determine):

(i) If and whenever a Share by reason of any consolidation, subdivision or conversion shall have a different nominal value, the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{A}{B} \times X$$

and the number of Warrants shall be adjusted in the following manner:

$$\text{Adjusted number of Warrants} = \frac{B}{A} \times W$$

where:

A = the aggregate number of issued and fully paid up Shares immediately before such consolidation or subdivision or conversion;

B = the aggregate number of issued and fully paid up Shares immediately after such consolidation or subdivision or conversion;

X = existing Exercise Price; and

W = existing number of Warrants held.

Such adjustments will be effective from the close of the Market Day immediately preceding the date on which the consolidation or subdivision or conversion becomes effective.

(ii) If and whenever the Company shall make any issue of Shares to its Members (other than an issue of Shares to Members who elect to receive Shares in lieu of cash as dividend) credited as fully paid, by way of capitalisation of profits or reserves (whether of a capital or income nature), the Exercise Price and the number of Warrants shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{A}{A + B} \times X$$

$$\text{Adjusted number of Warrants} = \frac{A + B}{A} \times W$$

where:

A = the aggregate number of issued and fully paid-up Shares immediately before such capitalisation issue;

- B = the aggregate number of Shares to be issued pursuant to any allotment to Members (other than an allotment of Shares to Members who elect to receive Shares in lieu of cash as dividend) credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature);
- X = as in X above; and
- W = as in W above.

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the day following the record date for such issue.

For the purpose of this Condition 5, “**record date**” in relation to the relevant transaction means the date as at the close of business on which Members must be registered as such to participate therein.

- (iii) If and whenever the Company shall make a Capital Distribution (as defined below) to Members whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets), then the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{C - D}{C} \times X$$

where:

- C = the Last Dealt Price (rounded down to the nearest S\$0.01 per Share) immediately preceding the date on which the Capital Distribution is publicly announced to the SGX-ST or (failing any such announcement) immediately preceding the date of the Capital Distribution;
- D = the fair market value, as determined by an Approved Bank (with the concurrence of the Auditors), of that portion of the Capital Distribution attributable to one Share; and
- X = as in X above.

For the purposes of Conditions 5(a)(iii) and 5(b)(iii), “**Capital Distribution**” shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividends) or by way of issue of Shares (not falling under Condition 5(b)(ii)) or other securities (other than an issue of Shares to Members who elect to receive Shares in lieu of cash as dividend) credited as fully or partly paid up by way of capitalisation of profits or reserves.

Any distribution out of profits or reserves shall not be deemed to be a Capital Distribution unless the profits or reserves are attributable to profits or gains arising from the sale of assets owned by the Company or any of its subsidiaries on or before the date and any cancellation of capital which is lost or unrepresented by available assets shall not be deemed to be a Capital Distribution.

Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the Market Day following the record date for such transactions.

- (iv) If and whenever the Company shall make any offer or invitation to its Members whereunder they may acquire or subscribe for Shares by way of rights, then the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{E - F}{E} \times X$$

and the number of Warrants shall be adjusted in the following manner:

$$\text{Adjusted number of Warrants} = \frac{E}{E - F} \times W$$

where:

E = the Last Dealt Price (rounded down to the nearest S\$0.01 per Share) immediately preceding the date on which the offer or invitation referred to in this Condition 5(b)(iv) is publicly announced to the SGX-ST or (failing any such announcement) immediately preceding the date of the offer or invitation;

X = as in X above;

W = as in W above; and

F = the value of rights attributable to one Share, which shall be calculated in accordance with the formula:

$$\frac{E - G}{H + 1}$$

where:

E = as in E above;

G = the subscription price of one additional Share under the offer or invitation to acquire or subscribe for Shares by way of rights; and

H = the number of Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for one additional Share by way of rights.

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the Market Day following the closing date for such offer or invitation.

For the purpose of this paragraph, “**closing date**” shall mean the date by which acceptance of and payment for the Shares is to be made under the terms of such offer or invitation.

- (v) If and whenever the Company makes any allotment to its Members as provided in Condition 5(b)(ii) and also makes any offer or invitation to its Members as provided in Condition 5(b)(iv) and the record date for the purpose of the allotment is also the record date for the purpose of the offer or invitation, the Exercise Price and the number of Warrants shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{(I \times E) + (J \times G)}{(I + J + B) \times E} \times X$$

$$\text{Adjusted number of Warrants} = \frac{(I + J + B) \times E}{(I \times E) + (J \times G)} \times W$$

B = the aggregate number of Shares to be issued pursuant to any allotment to Members (other than an allotment of Shares to Members who elect to receive Shares in lieu of cash as dividend) credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature);

E = as in E above;

G = as in G above;

I = the aggregate number of issued and fully paid-up Shares on the record date;

J = the aggregate number of new Shares to be issued under an offer or invitation to acquire or subscribe for Shares by way of rights;

X = as in X above; and

W = as in W above.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the Market Day following the closing date for such offer or invitation.

For the purpose of this paragraph, “**closing date**” shall mean the date by which acceptance of and payment for the Shares is to be made under the terms of such offer or invitation.

- (vi) If and whenever (otherwise than pursuant to a rights issue available to all Members alike and requiring an adjustment under Conditions 5(b)(iv) or 5(b)(v) and other than an issue of Shares to Members who elect to receive Shares in lieu of cash as dividend), the Company shall issue any Shares and the Total Effective Consideration for each Share (as defined below) is less than 90 per cent of the Last Dealt Price on the SGX-ST on the date on which the issue price of such Shares is determined, or, if such price is determined either before the close of business on the SGX-ST for that day or on a day which is not a Market Day, on the immediately preceding Market Day, the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{K + L}{K + M} \times X$$

where:

- K = the number of Shares in issue at the close of business on the SGX-ST on the day immediately preceding the date on which the relevant adjustment becomes effective;
- L = the number of Shares which the Total Effective Consideration (as defined below) would have purchased at such Last Dealt Price (exclusive of expenses);
- M = the aggregate number of Shares so issued; and
- X = as in X above.

Each such adjustment will be effective (if appropriate, retroactively) from the close of business on the SGX-ST on the Market Day immediately preceding the date on which the issue is announced, or (failing any such announcement) immediately preceding the date on which the Company determines the offering price of such Shares.

For the purpose of Conditions 5(a)(v) and 5(b)(vi), the “**Total Effective Consideration**” shall be determined by the Directors with the concurrence of an Approved Bank and shall be the aggregate consideration receivable by the Company on payment in full for such Shares without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof, and the “**Total Effective Consideration for each Share**” shall be the Total Effective Consideration divided by the number of Shares issued as aforesaid.

If any offer or invitation for Shares is made otherwise than by the Company to Members, then the Company shall so far as it is able procure that at the same time an offer or invitation is made to the then Warranholders as if their rights to subscribe for Shares had been exercised the day immediately preceding the date on which as at the close of business Members must be registered in order to participate in such offer or invitation on the basis then applicable.

- (c) Notwithstanding any of the provisions hereinbefore contained, no adjustment to the Exercise Price and the number of Warrants will be required in respect of:
- (i) an issue by the Company of Shares or other securities convertible into or right to acquire or subscribe for Shares to officers, including directors, or employees of the Company or any of its subsidiaries pursuant to any purchase or option scheme or the Company’s Group Restricted Share Plan approved by the Members in members meeting; or
 - (ii) an issue by the Company of Shares or other securities convertible into or right to acquire or subscribe for Shares in consideration or part consideration for or in connection with the acquisition of any other securities, assets or business; or
 - (iii) any issue by the Company of Shares pursuant to the exercise of any of the Warrants; or
 - (iv) any issue by the Company of securities convertible into Shares or rights to acquire or subscribe for Shares; or
 - (v) any purchase by the Company of Shares.

- (d) Any adjustment to the Exercise Price will be rounded upwards to the nearest one cent and in no event shall any adjustment (otherwise than upon the consolidation of Shares into shares of a larger nominal value) involve an increase in the Exercise Price. No adjustment to the Exercise Price shall be made unless it has been certified to be in accordance with this Condition 5 by the Auditors. No adjustment will be made to the Exercise Price in any case in which the amount by which the same would be reduced would be less than one cent but any adjustment which would otherwise then be required will be carried forward and taken into account appropriately in any subsequent adjustment.
- (e) Any adjustment to the number of Warrants held by each Warrantholder will be rounded downwards to the nearest whole Warrant. No adjustment to the number of Warrants shall be made unless (i) it has been certified to be in accordance with this Condition 5 by the Auditors and (ii) in-principle approval has been granted by the SGX-ST for the listing and quotation of such additional Warrants as may be issued as a result of such adjustment and such additional Shares as may be issued on the exercise of any such additional Warrants.
- (f) Notwithstanding the provisions referred to in this Condition 5, in any circumstances where the Directors consider that any adjustment to the Exercise Price and/or the number of Warrants provided under the said provisions should not be made or should be calculated on a different basis or date or should take effect on a different date or that an adjustment to the Exercise Price and/or the number of Warrants should be made notwithstanding that no such adjustment is required under the said provisions, the Company may appoint an Approved Bank to consider whether for any reason whatsoever the adjustment to be made (or the absence of an adjustment) or the adjustment to be made in accordance with the provisions of this Condition 5 is appropriate or inappropriate, as the case may be, and, if such Approved Bank shall consider the adjustment to be inappropriate, the adjustment shall be modified or nullified or an adjustment made instead of no adjustment in such manner as shall be considered by such Approved Bank to be in its opinion appropriate.
- (g) Whenever there is an adjustment as herein provided, the Company shall give notice to Warrantholders in accordance with Condition 12 that the Exercise Price and/or the number of Warrants has/have been adjusted and setting forth the event giving rise to the adjustment, the Exercise Price and/or the number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or number of Warrants and the effective date of such adjustment and shall at all times thereafter so long as any of the Warrants remains exercisable make available for inspection at the specified office of the Warrant Agent a signed copy of the certificate of the Auditors certifying the adjustment to the Exercise Price and/or the number of Warrants and a certificate signed by a Director setting forth brief particulars of the event giving rise to the adjustment, the Exercise Price and/or number of Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or number of Warrants and the effective date of such adjustment and shall, on request, send a copy thereof to any Warrantholder. Whenever an adjustment involves an increase in the number of Warrants, the Company will, as soon as practicable but not later than five (5) Market Days after the effective date of such adjustment, despatch by ordinary post Warrant Certificates for the additional number of Warrants issued to each Warrantholder, at the risk and expense of that Warrantholder, at his address appearing in the Register or, in respect of Warrants registered in the name of the Depository, to the Depository.
- (h) If the Directors, the Approved Bank and the Auditors are unable to agree upon any adjustment required under these provisions, the Directors shall refer the adjustment to the decision of another Approved Bank acting as expert and not as arbitrator and whose decision as to such adjustment shall be final and conclusive and no certification by the Auditors shall in such circumstances be necessary.

- (i) Notwithstanding anything herein contained:
 - (i) nothing shall prevent or restrict the buy-back of Shares pursuant to applicable law and the requirements of the SGX-ST;
 - (ii) no approval or consent of the Warrantholders shall be required for such buy-back of Shares; and
 - (iii) there shall be no adjustments to the Exercise Price and number of Warrants by reason of such buy-back of any Shares.
- (j) If the Company shall in any way modify the rights attached to any share or loan capital so as to convert or make convertible such share or loan capital into, or attach thereto any rights to acquire or subscribe for Shares, the Company shall appoint an Approved Bank to consider whether any adjustment is appropriate and if such Approved Bank and the Directors shall determine that any adjustment is appropriate, the Exercise Price and/or the number of Warrants shall be adjusted accordingly.
- (k) Any new Warrants which may be issued by the Company under this Condition 5 shall be part of the series of Warrants constituted by the Instrument, and shall be issued subject to and with the benefit of the Instrument and on such terms and conditions as the Directors may from time to time think fit, including but not limited to, the terms and conditions as set out herein for the Warrants.
- (l) In giving any certificate or making any adjustment hereunder, the Auditors and the Approved Bank shall be deemed to be acting as experts and not as arbitrators and in the absence of manifest error, their decision shall be conclusive and binding on all persons having an interest in the Warrants.
- (m) Notwithstanding anything herein contained, any adjustment to the Exercise Price and/or the number of Warrants other than in accordance with the provisions of this Condition 5, shall be subject to the approval of the SGX-ST and agreed to by the Company, the Auditors and the Approved Bank.
- (n) Pursuant to Rule 830 of the Listing Manual of the SGX-ST, any adjustment to the Exercise Price and/or the number of Warrants in accordance with the provisions of this Condition 5 will be announced by the Company through SGXNET.

6. Status of New Shares

The shares allotted and issued upon exercise of the Warrants shall be fully paid and shall rank *pari passu* in all respects with the then issued Shares of the Company save for any dividends, rights, allotments or other distributions that may be declared or paid, the Record Date for which is before the Exercise Date of the Warrants. For the purpose of this Condition 6, “**Record Date**” means, in relation to any dividends, rights, allotments or other distributions, the date at the close of business (or such other time as may have been notified by the Company) on which Members must be registered or the Securities Accounts of Members must be credited with Shares in order to participate in such dividends, rights, allotments or other distributions.

7. Winding-Up of the Company

If a resolution is passed for a members' voluntary winding-up of the Company then:

- (a) if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the Warranholders, or some person designated by them for such purpose by Extraordinary Resolution (as defined in the Instrument) shall be a party, and which shall have been approved or assented to by way of Extraordinary Resolution, the terms of such scheme of arrangement shall be binding on all the Warranholders and all persons having an interest in the Warrants; and
- (b) in any other case every Warranholder shall be entitled upon and subject to the Conditions at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding-up of the Company by irrevocable surrender of his Warrant Certificate(s) to the Company with the Exercise Notice(s) duly completed, together with payment of the relevant Exercise Price, to elect to be treated as if he had immediately prior to the commencement of such winding-up exercised the Warrants to the extent specified in the Exercise Notice(s) and had on such date been the holder of the Shares to which he would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. The Company shall give notice to the Warranholders in accordance with Condition 12 of the passing of any such resolution within seven (7) days after the passing thereof.

Subject to the foregoing, if the Company is wound-up for any other reason, all Warrants which have not been exercised at the date of the passing of such resolution shall lapse and the Warrants shall cease to be valid for any purpose.

8. Further Issues

Subject to the Conditions, the Company shall be at liberty to issue Shares to Members either for cash or as bonus distributions and further subscription rights upon such terms and conditions as the Company sees fit but the Warranholders shall not have any participating rights in such issue unless otherwise resolved by the Company in members' meeting.

9. Transfer of Warrants

Subject to the provisions contained herein, the Warrants shall be transferable in lots entitling a Warranholder to subscribe for whole numbers of Shares and so that no person shall be recognised by the Company as having title to Warrants entitling the holder thereof to subscribe for a fractional part of a Share or otherwise than as the sole or joint holder of the entirety of such Share. In order to transfer Warrants, the Warranholder must fulfil the following conditions:

- (a) lodgement during normal business hours of the relevant Warrant Certificate(s) registered in the name of the Warranholder at the specified office of the Warrant Agent together with an instrument of transfer in respect thereof (the "**Transfer Form**"), in any usual or common form or such other form as may be approved by the Directors, duly completed and signed by or on behalf of the Warranholder and the transferee and duly stamped in accordance with any law for the time being in force relating to stamp duty, provided that the Company and the Warrant Agent may dispense with requiring the Depository to sign as transferee any Transfer Form for the transfer of Warrants to it;
- (b) the furnishing of such evidence (if any) as the Warrant Agent may require to determine the due execution of the Transfer Form by or on behalf of the Warranholder;

- (c) the payment of the registration fee of S\$2.00 (or such other amount as may be determined by the Directors) (subject to goods and services tax at the prevailing rate) for every Warrant Certificate issued; and
- (d) the payment of the expenses of, and the submission of any necessary documents required in order to effect the delivery of, the new Warrant Certificate(s) to be issued in the name of the transferee.

If the Transfer Form has not been fully or correctly completed by the Warrantholder or the full amount of the fees and expenses due to the Warrant Agent has not been paid to the Warrant Agent, the Warrant Agent shall return such Transfer Form to the Warrantholder accompanied by written notice of the omission(s) or error(s) and requesting the Warrantholder to complete and/or amend the Transfer Form and/or to make the requisite payment.

If the Transfer Form has been fully and correctly completed, the Warrant Agent shall as agent for and on behalf of the Company:

- (i) register the person named in the Transfer Form as transferee in the Register of Warrantholders as registered holder of the Warrants in place of the Warrantholder;
- (ii) cancel the Warrant Certificate(s) in the name of the Warrantholder; and
- (iii) issue new Warrant Certificate(s) in respect of the Warrants registered in the name of the transferee.

Where the transfer relates to part only (but not all) of the Warrants represented by a Warrant Certificate, the Company shall deliver or cause to be delivered to the transferring Warrantholder at the cost of the transferring Warrantholder a Warrant Certificate in the name of the transferring Warrantholder in respect of any Warrants not transferred.

Each Warrantholder shall be deemed to remain the registered holder of the Warrants registered in his name until the name of the transferee is entered in the Register of Warrantholders by the Warrant Agent or the Depository Register by the Depository, as the case may be.

The executors or administrators of a deceased registered Warrantholder (not being one of several joint holders) where such executors or administrators are entered into the Depository Register and, in the case of the death of one or more of several registered joint holders, the survivor or survivors of such joint holders shall be the only persons recognised by the Company and the Warrant Agent as having any title to the Warrants registered in the name of the deceased Warrantholder. Such persons shall, on producing to the Warrant Agent such evidence as may be reasonably required by the Warrant Agent to prove their title and on payment of such fees and expenses referred to in this Condition 9, be entitled to be registered as a Warrantholder or to make such transfer as the deceased Warrantholder could have made.

With respect to the Warrants registered in the name of the Depository, any transfer of such Warrants shall be effected subject to and in accordance with these terms and conditions, applicable law and the rules of the Depository as amended from time to time and where Warrants are to be transferred between Depositors, such Warrants must be transferred in the Depository Register by the Depository by way of book-entry. A Depositor shall be deemed to remain a Warrantholder of the Warrants until the name of the transferee is entered in the Depository Register by the Depository.

10. Replacement of Warrant Certificates

Should any Warrant Certificate be lost, stolen, destroyed, mutilated or defaced, it may be replaced at the specified office of the Warrant Agent, upon payment by the claimant of the expenses incurred in connection therewith and the replacement fee of S\$2.00 (or such other sum being the replacement fee for the time being, which replacement fee shall not exceed the maximum sum for the time being prescribed by any applicable law) (subject to goods and services tax at the prevailing rate) for every Warrant Certificate issued and on such terms as to evidence and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Warrant Certificate(s) in respect of the Warrants is subsequently exercised, there will be paid to the Company on demand the market value of the Warrants at the time of the replacement thereof) as the Company and/or the Warrant Agent may reasonably require. Mutilated or defaced Warrant Certificates must be surrendered before replacements will be issued.

11. Meetings of Warranholders and Modification

- (a) The Instrument contains provisions for convening meetings of the Warranholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Instrument) of a modification of the Warrants or the Instrument. Such a meeting may be convened by the Company or by Warranholders holding not less than 20 per cent of the Warrants for the time being remaining unexercised (as defined in the Instrument). The quorum at any such meeting for passing an Extraordinary Resolution shall be two (2) or more persons holding or representing over 50 per cent of the Warrants for the time being unexercised, or at any adjourned meeting two (2) or more persons being or representing Warranholders whatever the number of Warrants so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Warrants or of the Instrument (including cancelling the subscription rights constituted by the Warrants or changing the Exercise Price (other than an adjustment of the Exercise Price pursuant to Condition 5)), the necessary quorum for passing an Extraordinary Resolution shall be two (2) or more persons holding or representing not less than 75 per cent, or at any adjournment of such meeting, over 50 per cent of the Warrants for the time being remaining unexercised. An Extraordinary Resolution duly passed at any meeting of Warranholders shall be binding on all Warranholders, whether or not they are present at the meeting. Warrants which have not been exercised but have been lodged for exercise shall not, unless and until they are withdrawn from lodgement, confer the right to attend or vote at, or join in convening, or be counted in the quorum for any meeting of Warranholders.
- (b) The Company may, without the consent of the Warranholders but in accordance with the terms and conditions of the Warrants, effect any modification to the terms of the Warrants or the Instrument which, in the opinion of the Company, (i) is not materially prejudicial to the interests of the Warranholders or (ii) is of a formal, technical or minor nature or to correct a manifest error or to comply with mandatory provisions of Singapore or Mauritius law; and/or (iii) is to vary or replace provisions relating to the transfer or exercise of the Warrants including the issue of Shares arising from the exercise thereof or meetings of the Warranholders in order to facilitate trading in or the exercise of the Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of the Company's securities on the Official List of the Main Board of the SGX-ST, provided that such modification is not materially prejudicial to the interests of the Warranholders. Any such modification shall be binding on the Warranholders and shall be notified to them in accordance with Condition 12 as soon as practicable thereafter.
- (c) Any alteration to the terms and conditions of the Warrants after the issue thereof must be approved by the SGX-ST, except where the alterations are made pursuant to the terms and conditions of the Warrants.

- (d) Without prejudice to any other provisions herein, any material alteration to the terms and conditions of the Warrants after the issue thereof to the advantage of the Warrantheolders and prejudicial to the Members of the Company must be approved by the Members in members meeting, except where the alterations are made pursuant to the terms and conditions of the Warrants.

12. Notices

- (a) All notices to Warrantheolders will be valid if published in a daily English language newspaper of general circulation in Singapore. If at any time publication in such newspaper is not practicable, notices will be valid if published in such other manner as the Company, with the approval of the Warrant Agent, shall determine. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made.
- (b) The Company shall, not later than one (1) month before the Exercise Date, announce the Exercise Date through SGXNET and give notice of the Exercise Date to the Warrantheolders in accordance with this Condition 12. The Company shall also, not later than one (1) month before the Exercise Date, take reasonable steps to notify the Warrantheolders in writing of the Exercise Date and such notice shall be delivered by post to the addresses of the Warrantheolders as recorded in the Register or, in the case of Warrantheolders whose Warrants are registered in the name of the Depository, their addresses as shown in the records of the Depository.

13. Warrant Agent Not Acting for Warrantheolders

In acting under the Warrant Agency Agreement, the Warrant Agent is (subject to the terms and conditions thereof) acting as agent for the Company and does not assume any obligation or duty to or any relationship of trust for the Warrantheolders.

14. Exclusion of Equities

Except as required by law or the Instrument or these Conditions, no person shall be recognised by the Company as holding any Warrant upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any Warrant, or any interest in any fractional part of a Warrant, or (except only as required by the Instrument or these Conditions or by law otherwise provided) any other right in respect of any Warrant, except an absolute right to the entirety thereof in the registered holder and nothing contained in the Instrument or these Conditions relating to CDP or to Depositors shall (unless expressly otherwise so provided) in any circumstances be deemed to limit, restrict or qualify the above.

15. Contracts (Rights of Third Parties) Act

The Contracts (Rights of Third Parties) Act (Chapter 53B) of Singapore shall not under any circumstances apply to these Conditions and any person who is not a party to these Conditions (whether or not such person shall be named, referred to, or otherwise identified, or form part of a class of persons so named, referred to or identified, in these Conditions), other than a Warrantheolder, shall have no right whatsoever under the said Act to enforce these Conditions or any of its terms.

16. Governing Law

- (a) The Instrument and the Warrants are governed by, and shall be construed in accordance with, the laws of Singapore.
- (b) The courts of Singapore are to have jurisdiction to settle any disputes which may arise out of or in connection with the Instrument and the Warrants and accordingly, any legal action or proceedings arising out of or in connection with the Instrument and the Warrants (“**Proceedings**”) may be brought in such courts. The Company irrevocably submits to the non-exclusive jurisdiction of such courts for all purposes of or in connection with the Instrument and the Warrants, and waives any objections to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

Notes:

- (1) The attention of Warrantheolders is drawn to Rule 14.1 of The Singapore Code on Take-overs and Mergers and sections 139 and 140 of the Securities and Futures Act (Chapter 289) of Singapore. In general terms, these provisions regulate the acquisition of effective control of public companies. Warrantheolders should consider the implications of these provisions before they exercise their respective Warrants. In particular, a Warrantheolder should note that he may be under an obligation to extend a take-over offer for the Company if:
 - (a) he intends to acquire, by exercise of the Warrants or otherwise, whether at one time or different times, Shares which (together with Shares owned or acquired by him or persons acting in concert with him) carry 30 per cent or more of the voting rights of the Company; or
 - (b) he together with persons acting in concert, holds not less than 30 per cent but not more than 50 per cent of the voting rights of the Company and either alone or together with persons acting in concert, intends to acquire additional Shares by the exercise of the Warrants or otherwise in any period of six (6) months, increasing such percentage of the voting rights by more than one (1) per cent.
- (2) The attention of Warrantheolders is drawn to Conditions 3(a) and 3(b) of the Warrants relating to the Lodgement Period and Exercise Date of the Warrants.
- (3) A Warrantheolder who, after exercise of this Warrant, has an interest in not less than five (5) per cent of the aggregate of the number of the voting shares in the Company or (if he already holds not less than five (5) per cent in the manner as aforesaid) increases his percentage shareholding in the Company, so as to result in his aggregate percentage shareholding in the Company crossing the next discrete whole number, is under an obligation to (a) notify the Company of his interest in the manner set out in sections 82 and 83 of the Companies Act (Chapter 50) of Singapore; and (b) notify the SGX-ST of his interest in the manner set out in section 137 of the Securities and Futures Act (Chapter 289) of Singapore.

CONSOLIDATED INCOME STATEMENTS OF THE GROUP

	Unaudited 1Q2009 US\$'000	(Restated) Unaudited 1Q2008 US\$'000	Audited FY2008 US\$'000	Audited FY2007 US\$'000	Audited FY2006 US\$'000
Revenue	412,232	747,433	2,985,948	1,873,352	1,129,587
Cost of sales	(348,796)	(482,809)	(2,109,831)	(1,215,004)	(859,773)
Gross profit	63,436	264,624	876,117	658,348	269,814
Net gain from changes in fair value of biological assets ⁽¹⁾	–	–	1,457,197	1,284,462	615,735
Operating expenses					
Selling expenses	(14,551)	(50,963)	(228,872)	(87,493)	(35,744)
General and administrative expenses	(21,967)	(26,672)	(118,126)	(97,349)	(72,249)
	(36,518)	(77,635)	(346,998)	(184,842)	(107,993)
Operating Profit	26,918	186,989	1,986,316	1,757,968	777,556
Other income/(expenses)					
Financial income	1,025	1,152	5,844	7,270	5,179
Financial expenses	(10,972)	(9,535)	(41,260)	(35,507)	(34,157)
Share of results of associated companies, net	1,602	1,760	5,382	2,646	(100)
Foreign exchange (loss)gain	(3,341)	4,786	(34,740)	(3,531)	1,401
Other operating income, net	1,746	204	5,385	3,719	5,783
	(9,940)	(1,633)	(59,389)	(25,403)	(21,894)
Exceptional items					
Negative goodwill	–	–	20,133	72,041	–
Gain arising from changes in effective interests in subsidiaries	–	–	–	1,559	–
Profit on disposal of interests in subsidiaries	–	–	–	–	6,438
Option redemption fee	–	–	–	–	(17,800)
Impairment loss:	–	–	–	–	–
Property, plant and equipment	–	–	–	(3,220)	(316)
Inventory	–	–	–	–	(504)
Financial assets, net	–	–	–	–	(2,897)
	–	–	20,133	70,380	(15,079)
Profit before income tax	16,978	185,356	1,947,060	1,802,945	740,583
Income tax	(8,732)	(47,765)	(528,415)	(528,570)	(201,052)
Profit for the period/year	8,246	137,591	1,418,645	1,274,375	539,531
Attributable to:					
Equity holders of the Company	8,576	135,708	1,382,526	1,164,792	470,533
Minority interests	(330)	1,883	36,119	109,583	68,998
	8,246	137,591	1,418,645	1,274,375	539,531

Note:

- (1) The fair value of the Group's biological assets (plantations) is determined based on the present value of their expected net cash inflows using certain market inputs. However, in view of the current economic condition and in order to minimize volatility in the fair value adjustments during the interim periods and to better reflect the Group's intention to hold these plantations for long-term purposes, the Group has adopted the practice of determining the fair value of its biological assets on an annual basis with effect from 1 January 2009. Accordingly, the comparative figures for 1Q2008 have been restated to conform to the current period's practice and presentation and no net gain from changes in fair value of biological assets was recognised for 1Q2009 and 1Q2008.

Consolidated Income Statements	1Q2008 As restated US\$'000	1Q2008 As previously reported US\$'000
Net gain from changes in fair value of biological assets	–	459,535
Operating profit	186,989	646,524
Profit before taxation	185,356	644,891
Taxation	47,765	185,626
Profit for the period	137,591	459,265
Profit attributable to equity holders of the Company	135,708	442,825

CONSOLIDATED BALANCE SHEETS OF THE GROUP

	Unaudited As at 31 March 2009 US\$'000	Audited As at 31 December 2008 US\$'000
Assets		
Current Assets		
Cash and cash equivalents	127,394	133,214
Short-term investments	10,963	4,556
Trade receivables	64,452	140,830
Other receivables	179,040	180,797
Inventories	268,946	248,084
	650,795	707,481
Non-Current Assets		
Long-term receivables and assets	189,489	186,790
Long-term investments	25,050	25,050
Associated companies	5,986	4,406
Property, plant and equipment	979,154	971,004
Biological assets	4,805,935	4,794,558
Deferred income tax	12,342	12,252
Deferred charges	6,112	6,147
Brands and trademarks	1,841	1,921
Goodwill	115,898	115,898
	6,141,807	6,118,026
Total Assets	6,792,602	6,825,507
Liabilities and Equity		
Current Liabilities		
Short-term loans	299,527	309,543
Trade payables	136,423	150,969
Other payables	48,192	54,504
Taxes payable	12,026	32,967
Obligations under finance leases	6	6
	496,174	547,989
Non-Current Liabilities		
Obligations under finance leases	22	24
Long-term borrowings	257,526	244,344
Deferred income tax	1,308,766	1,310,747
Long-term payables	14,729	15,573
	1,581,043	1,570,688
Total Liabilities	2,077,217	2,118,677

	Unaudited As at 31 March 2009 US\$'000	Audited As at 31 December 2008 US\$'000
Equity Attributable to Equity Holders of the Company		
Issued capital	249,397	249,397
Share premium	772,232	772,232
Other paid-in capital	184,318	184,318
Other reserve	1,136	1,136
Hedging reserve	–	(1,834)
Foreign currency translation reserve	14,270	15,783
Cumulative translation adjustments	(16,684)	(16,684)
Retained earnings	3,417,954	3,409,378
	4,622,623	4,613,726
Minority Interests	92,762	93,104
Total Equity	4,715,385	4,706,830
Total Liabilities and Equity	6,792,602	6,825,507

FIRST QUARTER GROUP FINANCIAL RESULTS 2009

First Quarter Financial Statement And Dividend Announcement

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

1(a) An income statement (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 31 MARCH 2009

	1st Qtr 2009 US\$'000	(Restated) 1st Qtr 2008 US\$'000	Change %
Revenue	412,232	747,433	(44.8)
Cost of sales	(348,796)	(482,809)	(27.8)
Gross profit	63,436	264,624	(76.0)
Operating expenses			
Selling expenses	(14,551)	(50,963)	(71.4)
General and administrative expenses	(21,967)	(26,672)	(17.6)
Total operating expenses	(36,518)	(77,635)	(53.0)
Operating profit	26,918	186,989	(85.6)
Other income (expenses)			
Financial income	1,025	1,152	(11.0)
Financial expenses	(10,972)	(9,535)	15.1
Share of results of associated companies, net	1,602	1,760	(9.0)
Foreign exchange (loss)gain	(3,341)	4,786	n.m.
Other operating income, net	1,746	204	755.9
	(9,940)	(1,633)	508.7
Profit before tax	16,978	185,356	(90.8)
Tax	(8,732)	(47,765)	(81.7)
Profit for the period	8,246	137,591	(94.0)
Attributable to:			
Equity holders of the Company	8,576	135,708	(93.7)
Minority interests	(330)	1,883	n.m.
	8,246	137,591	(94.0)

Notes: (1) n.m. – not meaningful
(2) Certain comparative figures have been restated to conform to current period's presentation and practice on determining the fair value of biological assets, please refer to Note 5 for further details

ADDITIONAL INFORMATION

(A) Earnings before tax, minority interests, interest on borrowings, depreciation and amortisation, net gain from changes in fair value of biological assets, foreign exchange gain(loss), exceptional item and share of results of associated companies (“EBITDA”)

	1st Qtr 2009	(Restated) 1st Qtr 2008	Change
	US\$'000	US\$'000	%
Earnings before tax, minority interests, interest on borrowings, depreciation and amortisation, net gain from changes in fair value of biological assets, foreign exchange gain(loss), exceptional item and share of results of associated companies (“EBITDA”)	45,263	201,510	(77.5)
Interest on borrowings	(10,789)	(9,278)	16.3
Depreciation and amortisation	(15,757)	(13,422)	17.4
Foreign exchange (loss)gain	(3,341)	4,786	n.m.
Profit before tax, minority interests, but after interest on borrowings, depreciation and amortisation, exchange gain and exceptional item	15,376	183,596	(91.6)
Share of results of associated companies, net	1,602	1,760	(9.0)
Profit before tax	<u>16,978</u>	<u>185,356</u>	(90.8)

Notes: (1) n.m. – not meaningful

(2) Certain comparative figures have been restated to conform to current period's presentation and practice on determining the fair value of biological assets, please refer to Note 5 for further details

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

UNAUDITED BALANCE SHEETS

(Amounts in United States dollars)

	Group		Company	
	As at		As at	
	31/3/2009 US\$'000	31/12/2008 US\$'000	31/3/2009 US\$'000	31/12/2008 US\$'000
Assets				
Current Assets				
Cash and cash equivalents	127,394	133,214	1,436	1,249
Short-term investments	10,963	4,556	–	–
Trade receivables	64,452	140,830	–	–
Other receivables (note (a))	179,040	180,797	404	409
Inventories	268,946	248,084	–	–
	650,795	707,481	1,840	1,658
Non-Current Assets				
Long-term receivables and assets (note (b))	189,489	186,790	–	–
Long-term investments	25,050	25,050	–	–
Subsidiary companies	–	–	1,729,686	1,727,746
Associated companies	5,986	4,406	–	–
Property, plant and equipment	979,154	971,004	–	–
Biological assets	4,805,935	4,794,558	–	–
Deferred income tax	12,342	12,252	–	–
Deferred charges	6,112	6,147	–	–
Brands and trademarks	1,841	1,921	–	–
Goodwill	115,898	115,898	–	–
	6,141,807	6,118,026	1,729,686	1,727,746
Total Assets	6,792,602	6,825,507	1,731,526	1,729,404
Liabilities and Equity				
Current Liabilities				
Short-term loans	299,527	309,543	10,000	10,000
Trade payables	136,423	150,969	–	–
Other payables (note(c))	48,192	54,504	49,335	49,144
Taxes payable	12,026	32,967	455	361
Obligations under finance leases	6	6	–	–
	496,174	547,989	59,790	59,505

UNAUDITED BALANCE SHEETS (cont'd)
(Amounts in United States dollars)

	Group		Company	
	As at		As at	
	31/3/2009	31/12/2008	31/3/2009	31/12/2008
	US\$'000	US\$'000	US\$'000	US\$'000
Non-Current Liabilities				
Obligations under finance leases	22	24	–	–
Long-term borrowings	257,526	244,344	–	–
Deferred income tax	1,308,766	1,310,747	–	–
Long-term payables	14,729	15,573	–	–
	1,581,043	1,570,688	–	–
Total Liabilities	2,077,217	2,118,677	59,790	59,505
Equity Attributable to Equity Holders of the Company				
Issued capital	249,397	249,397	249,397	249,397
Share premium	772,232	772,232	1,407,102	1,407,102
Other paid-in capital	184,318	184,318	–	–
Other reserve	1,136	1,136	–	–
Hedging reserve	–	(1,834)	–	–
Foreign currency translation reserve	14,270	15,783	–	–
Cumulative translation adjustments	(16,684)	(16,684)	–	–
Retained earnings	3,417,954	3,409,378	15,237	13,400
	4,622,623	4,613,726	1,671,736	1,669,899
Minority Interests	92,762	93,104	–	–
Total Equity	4,715,385	4,706,830	1,671,736	1,669,899
Total Liabilities and Equity	6,792,602	6,825,507	1,731,526	1,729,404

Note:
(a) Other Receivables

	Group		Company	
	As at		As at	
	31/3/2009	31/12/2008	31/3/2009	31/12/2008
	US\$'000	US\$'000	US\$'000	US\$'000
Prepaid expenses	9,169	10,404	45	24
Prepaid value added tax, net	32,947	31,153	–	–
Advances to suppliers	57,625	75,381	–	–
Others	50,138	34,810	2	8
	149,879	151,748	47	32
Related parties	29,161	29,049	357	377
	179,040	180,797	404	409

UNAUDITED BALANCE SHEETS (cont'd)

(b) Long-Term Receivables and Assets

	Group		Company	
	As at		As at	
	31/3/2009	31/12/2008	31/3/2009	31/12/2008
	US\$'000	US\$'000	US\$'000	US\$'000
Associated company	6,653	6,535	-	-
Loan receivable	18,055	19,752	-	-
Tax recoverable	94,805	93,383	-	-
Advances for project plasma plantations	7,564	7,255	-	-
Advances for project and purchase of fixed assets	49,134	46,418	-	-
Land clearing	7,124	7,539	-	-
Advances for investments in land	3,557	3,557	-	-
Others	2,597	2,351	-	-
	<u>189,489</u>	<u>186,790</u>	<u>-</u>	<u>-</u>

(c) Other Payables

	Group		Company	
	As at		As at	
	31/3/2009	31/12/2008	31/3/2009	31/12/2008
	US\$'000	US\$'000	US\$'000	US\$'000
Advances from customers	12,352	12,550	-	-
Accrued expenses	20,930	16,442	246	300
Others	12,838	23,181	41	245
	46,120	52,173	287	545
Related parties	2,072	2,331	49,048	48,599
	<u>48,192</u>	<u>54,504</u>	<u>49,335</u>	<u>49,144</u>

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

	As at 31/3/2009			As at 31/12/2008		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	US\$'000			US\$'000		
Amount repayable in one year or less, or on demand	289,533	10,000	299,533	299,549	10,000	309,549
Amount repayable after one year	256,808	740	257,548	200,785	43,583	244,368
Total	546,341	10,740	557,081	500,334	53,583	553,917

Details of any collateral

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

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

**UNAUDITED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2009**

(Amounts in United States dollars)

	1st Qtr 2009	(Restated) 1st Qtr 2008
	US\$'000	US\$'000
Cash flows from operating activities		
Profit before tax	16,978	185,356
Adjustments for:		
Depreciation	15,518	13,205
Amortisation	239	217
Unrealised loss(gain) on foreign exchange on short-term loans, long-term borrowings and receivables, net	1,961	(1,139)
Share of results of associated companies, net	(1,602)	(1,760)
Gain on disposal of property, plant and equipment	(129)	(50)
Property, plant and equipment written off	191	70
Write back of allowance for impairment loss on inventories	(1,529)	–
Interest income	(1,025)	(1,152)
Interest expense	10,789	9,278
Operating cash flow before working capital changes	41,391	204,025
Changes in operating assets and liabilities:		
Trade receivables	76,378	(49,440)
Other receivables	2,593	(40,475)
Inventories	(19,333)	(33,647)
Trade payables	(14,546)	(13,244)
Other payables	(3,328)	2,715
Cash generated from operations	83,155	69,934
Interest received	659	1,337
Interest paid	(11,655)	(8,857)
Tax paid	(34,936)	(26,142)
Net cash generated from operating activities	37,223	36,272

**UNAUDITED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2009 (cont'd)**

(Amounts in United States dollars)

	1st Qtr 2009	(Restated) 1st Qtr 2008
	US\$'000	US\$'000
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	2,262	698
Proceeds from sale of biological assets	–	467
Capital expenditure on property, plant and equipment	(29,881)	(32,935)
Capital expenditure on biological assets	(9,612)	(13,972)
Net increase in short-term investments	(6,407)	(37,996)
Investments in Plasma/KKPA Program plantations, net	(309)	(1,426)
Investments in deferred expenditure	(101)	(344)
Increase in long-term receivables and assets	(4,312)	(8,482)
Net cash used in investing activities	(48,360)	(93,990)
Cash flows from financing activities		
Proceeds from short-term loans	74,951	116,126
Proceeds from long-term borrowings	72,626	–
Payments of short-term loans	(85,744)	(45,244)
Payments of long-term borrowings	(54,971)	(9,231)
Payments of obligations under finance leases	(2)	(149)
Deferred loan charges and long-term bank loan administration costs	(1,543)	–
Decrease(Increase) in time deposits pledged	1,016	(15,570)
Net cash generated from financing activities	6,333	45,932
Net decrease in cash and cash equivalents	(4,804)	(11,786)
Cash and cash equivalents at the beginning of the period	128,606	120,505
Cash and cash equivalents at the end of the period (See Note)	123,802	108,719

Note:

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

	31/3/2009	31/3/2008
	US\$'000	US\$'000
Time deposits, cash and bank balances	127,394	128,271
Less: Time deposits pledged	(3,592)	(19,552)
	123,802	108,719

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

The Group	← Attributable to Equity Holders of the Company →									Minority Interests	Total Equity
	Issued Capital	Share Premium	Other Paid-in Capital	Other Reserve	Hedging Reserve	Foreign Currency Translation Reserve	Retained Earnings	Cumulative Translation Adjustment	Total		
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000		
Balance as at 1 Jan 2009	249,397	772,232	184,318	1,136	(1,834)	15,783	3,409,378	(16,684)	4,613,726	93,104	4,706,830
Profit for the period	-	-	-	-	-	-	8,576	-	8,576	(330)	8,246
Foreign currency translation	-	-	-	-	-	(1,513)	-	-	(1,513)	(12)	(1,525)
Transferred to income statement for cash flow hedge	-	-	-	-	1,834	-	-	-	1,834	-	1,834
Net gain(loss) recognised directly in equity	-	-	-	-	1,834	(1,513)	-	-	321	(12)	309
Balance as at 31 Mar 2009	249,397	772,232	184,318	1,136	-	14,270	3,417,954	(16,684)	4,622,623	92,762	4,715,385

The Group	← Attributable to Equity Holders of the Company →									Minority Interests	Total Equity
	Issued Capital	Share Premium	Other Paid-in Capital	Other Reserve	Hedging Reserve	Foreign Currency Translation Reserve	Retained Earnings	Cumulative Translation Adjustment	Total		
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000		
Balance as at 1 Jan 2008	249,397	772,100	184,318	1,136	(16,036)	9,139	2,119,196	(16,684)	3,302,566	78,644	3,381,210
Profit for the period	-	-	-	-	-	-	135,708	-	135,708	1,883	137,591
Foreign currency translation	-	-	-	-	-	5,171	-	-	5,171	255	5,426
Transferred to income statement for cash flow hedge	-	-	-	-	16,036	-	-	-	16,036	-	16,036
Net gain recognised directly in equity	-	-	-	-	16,036	5,171	-	-	21,207	255	21,462
Balance as at 31 Mar 2008	249,397	772,100	184,318	1,136	-	14,310	2,254,904	(16,684)	3,459,481	80,782	3,540,263

- 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**

The Company	Issued Capital	Share Premium	Retained Earnings	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 Jan 2009	249,397	1,407,102	13,400	1,669,899
Profit for the period	–	–	1,837	1,837
Balance as at 31 Mar 2009	249,397	1,407,102	15,237	1,671,736
Balance as at 1 Jan 2008	249,397	1,406,970	36,837	1,693,204
Profit for the period	–	–	6,565	6,565
Balance as at 31 Mar 2008	249,397	1,406,970	43,402	1,699,769

- 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**

The Company did not have treasury shares as at 31 March 2009 and 2008.

There has been no share issuance during the 3-month period ended 31 March 2009. As at 31 March 2009, the total number of issued ordinary shares in the Company is 9,975,903,792 ordinary shares of US\$0.025 each.

Subsequent to the period end and on 2 April 2009, 399,033,766 new ordinary shares of US\$0.025 each have been allotted and issued to the shareholders of the Company pursuant to the bonus issue on the basis of one bonus share for every 25 existing shares held in the Company. Accordingly, the total number of issued ordinary shares in the Company has increased from 9,975,903,792 to 10,374,937,558 ordinary shares of US\$0.025 each.

- 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 31 March 2009 and 31 December 2008 was 9,975,903,792 ordinary shares of US\$0.025 each.

- 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.**

Not applicable.

2. **Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

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 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 2008.

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 fair value of the Group's biological assets (plantations) is determined based on the present value of their expected net cash inflows using certain market inputs. In view of the current economic condition, in order to minimise volatility in the fair value adjustments during the interim periods and to better reflect the Group's intention to hold these plantation for long-term purposes, the Group has adopted the practice of determining the fair value of its biological assets on an annual basis.

Accordingly, the comparative figures for 1Q2008 have been restated to conform to the current period's practice and presentation.

Consolidated Income Statements	1Q2008 As restated	1Q2008 As previously reported
	US\$'000	US\$'000
Net gain from changes in fair value of biological assets	–	459,535
Operating profit	186,989	646,524
Profit before taxation	185,356	644,891
Taxation	47,765	185,626
Profit for the period	137,591	459,265
Profit attributable to equity holders of the Company	135,708	442,825

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

		The Group	
		1st Qtr 2009	(Restated) 1st Qtr 2008
Earnings per ordinary share for the period after deducting any provision for preference dividends:-			
(i)	Based on weighted average number of ordinary shares	USD0.09 cents	USD1.36 cents
	– Weighted average number of ordinary shares	9,975,903,792	9,975,903,792
(ii)	On a fully diluted basis	n.a.	n.a.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-

- (a) current period reported on; and
- (b) immediately preceding financial year

	The Group		The Company	
	As at 31 Mar 2009	As at 31 Dec 2008	As at 31 Mar 2009	As at 31 Dec 2008
Net asset value per ordinary share based on existing issued share capital of 9,975,903,792 shares	US\$0.46	US\$0.46	US\$0.17	US\$0.17

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

(in US\$'000)	AGRI-BUSINESS		
For the period ended	Indonesia	China ⁽²⁾	Total
Revenue			
31 March 2009	288,258	123,974	412,232
31 March 2008	584,624	162,809	747,433
Increase/(Decrease)	(296,366)	(38,835)	(335,201)
Increase/(Decrease) %	(50.7)	(23.9)	(44.8)
Gross Profit			
31 March 2009	56,129	7,307	63,436
31 March 2008	256,326	8,298	264,624
Increase/(Decrease) in profit	(200,197)	(991)	(201,188)
Increase/(Decrease) %	(78.1)	(11.9)	(76.0)
EBITDA (see note (1))			
31 March 2009	39,849	5,414	45,263
31 March 2008	195,802	5,708	201,510
Increase/(Decrease) in profit	(155,953)	(294)	(156,247)
Increase/(Decrease) %	(79.6)	(5.2)	(77.5)
Interest on borrowings			
31 March 2009	10,385	404	10,789
31 March 2008	8,709	569	9,278
Increase/(Decrease)	1,676	(165)	1,511
Increase/(Decrease) %	19.2	(29.0)	16.3
Depreciation and amortisation			
31 March 2009	13,978	1,779	15,757
31 March 2008	11,728	1,694	13,422
Increase/(Decrease)	2,250	85	2,335
Increase/(Decrease) %	19.2	5.0	17.4
Foreign exchange (loss)gain			
31 March 2009	(3,373)	32	(3,341)
31 March 2008	3,345	1,441	4,786
Increase in loss	(6,718)	(1,409)	(8,127)
Increase/(Decrease) %	n.m.	(97.8)	n.m.
Share of associates' profit			
31 March 2009	1,602	-	1,602
31 March 2008	1,760	-	1,760
Decrease in profit	(158)	-	(158)
Increase/(Decrease) %	(9.0)	-	(9.0)
Profit before tax			
31 March 2009	13,715	3,263	16,978
31 March 2008, restated	180,470	4,886	185,356
Decrease in profit	(166,755)	(1,623)	(168,378)
Increase/(Decrease) %	(92.4)	(33.2)	(90.8)
Net profit attributable to equity holders of the Company			
31 March 2009	5,884	2,692	8,576
31 March 2008, restated	131,196	4,512	135,708
Decrease in profit	(125,312)	(1,820)	(127,132)
Increase/(Decrease) %	(95.5)	(40.3)	(93.7)

- Notes:**
- (1) This refers to earnings before income tax, minority interests, interest on borrowings, net gain from changes in fair value of biological assets, depreciation and amortisation, foreign exchange gain(loss), exceptional items and share of results from associated companies.
 - (2) The China Agri-business represents the results of Asia Integrated Agri Resources Ltd (AIAR) group of companies.
 - (3) n.m. — not meaningful.

PERFORMANCE FOR THE PERIOD ENDED 31 MARCH 2009

The Group recorded revenue of US\$412.2 million and EBITDA of US\$45.3 million for the 3-month period ended 31 March 2009 ("1Q2009").

REVENUE

Indonesia

Revenue from the Indonesia Agri-business was US\$288.3 million in 1Q2009, a decrease of 50.7 per cent or US\$296.4 million as compared to US\$584.6 million in the same period in 2008 ("1Q2008"). This was primarily due to the lower average crude palm oil ("CPO") price and sales volume during the period, resulting from the lower international CPO prices and lower CPO production.

Average international CPO (CIF Rotterdam) price was US\$574 per ton for 1Q2009, approximately half the average of US\$1,142 in 1Q2008.

Our CPO production in 1Q2009 was 364,000 tons, a decrease of 17.3 per cent from 440,000 tons in 1Q2008 resulting from lower fresh fruit bunch ("FFB") production. Our FFB production continued to be affected by the biological slowdown ("tree stress") caused by second year impact of drought in 2006 and longer than usual periods of heavy rainfall in Southern part of Sumatra and South Kalimantan.

China

Revenue from the China Agri-business of US\$124 million (1Q2008: US\$162.8 million), comprising mainly US\$55.2 million (1Q2008: US\$91.1 million) from the refinery operations and US\$58.8 million (1Q2008: US\$62.4 million) from the crushing operations.

The decrease of 23.9 per cent or US\$38.8 million in revenue was mainly attributable to lower average selling prices of refined edible oil products.

COST OF SALES

Cost of sales decreased by 27.8 per cent or US\$134 million from US\$482.8 million in 1Q2008 to US\$348.8 million in 1Q2009.

Indonesia

Cost of sales from the Indonesia Agri-business was US\$232.1 million, comprising mainly labour, plantation maintenance, manuring and harvesting costs, FFB purchases and CPO purchases for our downstream business.

The decrease of 29.3 per cent or US\$96.2 million in cost of sales was mainly due to lower FFB purchases cost which was partially offset by higher fertiliser costs during the period in the Indonesia Agri-business.

China

Cost of sales in the China Agri-business was US\$116.7 million, comprising mainly purchase cost of soybean and palm oil products. The decrease of US\$37.8 million was mainly a result of lower market prices of soybean and palm oil products during the period.

GROSS PROFIT

Gross profit decreased by 76 per cent or US\$201.2 million to US\$63.4 million as compared to US\$264.6 million in 1Q2008.

Gross profit margin of the Indonesia Agri-business decreased to 19.5 per cent in 1Q2009 mainly as a result of lower average realised selling price in line with lower international CPO prices while certain fixed costs had remained fairly constant in spite of the lower revenue.

Gross profit margin of the China Agri-business increased to 5.9 per cent in 1Q2009 primarily attributable to the lower purchase cost of soybean and palm oil products in line with the decline in international commodity prices during the period.

OPERATING EXPENSES

- ***Selling expenses***

Selling expenses of US\$14.6 million comprised mainly transportation, advertising and promotion, and salaries. The decrease in selling expenses of US\$36.4 million was mainly attributable to the significant reduction in export tax expenses in 1Q2009 in line with the lower applicable export tax rate during the period.

The current export tax rate for CPO ranging from 0 per cent (if CPO price per ton is below US\$700) to 25 per cent (if CPO price per ton is above US\$1,250).

- ***General and administrative expenses***

General and administrative expenses included salaries and related expenses, rent, tax and licenses, depreciation, repairs and maintenance, and professional fees. The decrease of US\$4.7 million or 17.6 per cent to US\$22 million as compared to US\$26.7 million in 1Q2008 was primarily due to the decrease in professional and management fee expenses in the Indonesia Agri-business.

FINANCIAL EXPENSES, NET

Net financial expenses comprised net interest expenses (after deducting interest income), amortisation of deferred loan charges and other finance charges. The net financial expenses increased by US\$1.6 million to US\$9.9 million as compared to US\$8.4 million in 1Q2008 mainly as a result of higher interest rates on borrowings.

FOREIGN EXCHANGE LOSS, NET

Foreign exchange loss of US\$3.3 million was mainly attributable to loss on translation of net Indonesian Rupiah ("IDR") monetary assets of the Indonesia Agri-business to US Dollar ("USD") as IDR weakened against USD from IDR10,950 as at end of 2008 to IDR11,600 as at end of March 2009. While the same translation had resulted in a gain on translation in 1Q2008 as IDR strengthened against USD from IDR9,400 as at end of 2007 to IDR9,200 as at end of March 2008.

TAX

Income tax expense decreased by 81.7 per cent or US\$39 million to US\$8.7 million in 1Q2009 as compared to US\$47.8 million in 1Q2008 in line with lower taxable profit reported in 1Q2009 in certain subsidiaries in Indonesia Agri-business.

No group relief is available for set-off of taxable profits against tax losses of companies within the Group.

REVIEW OF CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2009

ASSETS

Total assets of the Group decreased by US\$32.9 million from US\$6,825.5 million as at 31 December 2008 to US\$6,792.6 million as at 31 March 2009 mainly attributable to lower trade receivables as at end of March 2009.

Current Assets

Total current assets decreased by US\$56.7 million mainly due to lower trade receivables offset with higher inventories during the period.

Trade receivables decreased by US\$76.4 million mainly from the Indonesia Agri-business due to lower revenue in line with lower sales volume.

Inventories increased by US\$20.9 million mainly attributable to a higher inventory level at the end of the period in the China Agri-business.

Short-term investments increased by US\$6.4 million mainly due to the placement in quoted bonds in the Indonesia Agri-business.

Non-Current Assets

Total non-current assets increased by US\$23.8 million mainly attributable to additional capital expenditures during the period.

Biological assets increased by US\$11.4 million mainly attributable to additional planted hectares during the period.

Property, plant and equipment increased by US\$8.2 million (net of depreciation expenses) mainly attributable to additional capital expenditures relating to the construction of palm oil and kernel crushing mills, refineries facilities and other ancillary plantation facilities in the Indonesia Agri-business.

LIABILITIES

Current Liabilities

Total current liabilities decreased by US\$51.8 million mainly due to lower trade payables and taxes payable.

Trade payables decreased by US\$14.5 million from US\$151 million as at 31 December 2008 to US\$136.4 million as at 31 March 2009 in line with the lower amount of purchases made.

Taxes payable decreased by US\$20.9 million mainly resulting from payment of income tax payable during the period.

REVIEW OF CONSOLIDATED CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2009

Net cash flow generated from operating activities for 1Q2009 was US\$37.2 million primarily arising from cash inflow from operating results coupled with lower working capital requirement for the period.

Net cash used in investing activities of US\$48.4 million mainly comprised US\$29.9 million capital expenditure on property, plant and equipment and US\$9.6 million capital expenditure on biological assets.

Net cash generated from financing activities of US\$6.3 million was mainly attributable to the proceeds from new long-term borrowings drawn (net of repayment) during the period.

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 current global financial crisis, credit crunch and economic slowdown have impacted the commodity markets resulting in high volatility in prices of commodities, including CPO.

Nonetheless, the demand for palm oil, being the cheapest edible oil in the world, is supported by continued core demand from the edible oil and oleochemical markets. Moving forward, we will continue to strive to manage our operating costs at optimal levels and increase production through further improving operational efficiency and plantation management techniques.

The operating environment of the China Agri-business remains challenging in view of the volatility of commodity prices, including soybean prices. We will strive to manage our costs as well as focus our growth on the sale of various palm-based products to selected key regions.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared for the quarter ended 31 March 2009.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

- 13. 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.

- 14. 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.

- 15. A breakdown of sales**

Not applicable.

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

Not applicable.

- 17. 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)
	1Q2009	1Q2009
	US\$	US\$
PT Asuransi Sinar Mas	Nil	997,814
PT Bank Sinarmas	Nil	737,981*
PT Rolimex Kimia Nusamas	Nil	489,357
PT Royal Oriental	Nil	175,486
PT Sinar Jati Mitra	Nil	124,783
Ningbo Asia Paper Tube & Carton Box Co., Ltd	Nil	460,538
Ningbo Asia Pulp & Paper Co., Ltd	Nil	88,384
Ningbo Zhonghua Paper Co., Ltd	Nil	111,052
Zhuhai Huafeng Foodstuff Co., Ltd	Nil	881,073
Total	Nil	4,066,468

Note:

* Principal amount as at 31 March 2009 is approximately US\$0.7 million.

18. CONFIRMATION PURSUANT TO THE RULE 705(5) OF THE LISTING MANUAL

We, Simon Lim 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 first quarter ended 31 March 2009 unaudited financial results to be false or misleading.

On behalf of the board of directors

Simon Lim
Director

Rafael Buhay Concepcion, Jr.
Director

15 May 2009

BY ORDER OF THE BOARD

Simon Lim
Director
15 May 2009

PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

Entitled Depositors are entitled to receive this Offer Information Statement and the ARE which forms part of this Offer Information Statement.

The provisional allotments of Rights Shares with Warrants are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and the instructions contained in the ARE. The number of Rights Shares with Warrants provisionally allotted to each Entitled Depositor is indicated in the ARE (fractional entitlements, if any, having been disregarded). The Securities Accounts of Entitled Depositors have been credited by CDP with provisional allotments of Rights Shares with Warrants as indicated in the ARE. Entitled Depositors may accept their provisional allotments of Rights Shares with Warrants in whole or in part and are eligible to apply for Rights Shares with Warrants in excess of their entitlements under the Rights Issue. Full instructions for the acceptance of and payment for the provisional allotments of Rights Shares with Warrants are set out in this Offer Information Statement as well as the ARE.

If an Entitled Depositor wishes to accept his provisional allotment of Rights Shares with Warrants specified in the ARE, in full or in part, and (if applicable) apply for excess Rights Shares with Warrants in addition to the Rights Shares with Warrants he has been provisionally allotted, he may do so by completing the relevant portions of the ARE or by way of an Electronic Application. An Entitled Depositor should ensure that the ARE is accurately and correctly completed, failing which the acceptance of the provisional allotment of Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants may be rejected.

For investors who hold Shares through finance companies or Depository Agents, acceptances of the Rights Shares with Warrants and (if applicable) applications for excess Rights Shares with Warrants must be done through the respective finance companies or Depository Agents. Any application made directly to CDP or through ATMs of the Participating Banks for Shares held through such intermediaries may cause your acceptances and/or applications to be rejected. The Company is not registered under the CPF Investment Scheme and CPF Ordinary Account savings cannot be used for the payment of the Issue Price to subscribe for their provisional allotments of the Rights Shares with Warrants and/or excess Rights Shares with Warrants.

Where an acceptance, application and/or payment does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL, (if applicable) the Constitution of the Company and/or any other application form for Rights Shares with Warrants and/or excess Rights Shares with Warrants, or is illegible, incomplete, incorrectly completed or is accompanied by an improperly or insufficiently drawn remittance or does not comply with the instructions for Electronic Application, or where the "Free Balance" of the applicant's Securities Account is not credited with, or is credited with less than the relevant number of Rights Shares with Warrants subscribed as at the last date and time for acceptance of and application and payment for the Rights Shares with Warrants and/or excess Rights Shares with Warrants, the Company and/or CDP may, at their absolute discretion, reject or treat as invalid any such application, payment or other processes of remittances at any time after receipt in such manner as they may deem fit.

The Company and/or CDP shall be entitled to process each application submitted for the acceptance of the provisional allotment of Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants and the payment received in relation thereto, pursuant to such application, by an Entitled Depositor, on its own, without regard to any other application and payment that may be submitted by the same Entitled Depositor. For the avoidance of doubt, insufficient payment for an application may render the application invalid. Evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application submitted for the acceptance of the provisional allotment of Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants.

Unless expressly provided to the contrary in this Offer Information Statement, the ARE and/or the ARS, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the ARE and/or the ARS has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

An Entitled Depositor may accept his provisional allotment of Rights Shares with Warrants specified in his ARE and (if applicable) apply for excess Rights Shares with Warrants either through CDP or by way of Electronic Application through an ATM of a Participating Bank as described below.

(a) Acceptance/Application through CDP

To accept the provisional allotment of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants through CDP, the duly completed and signed ARE must be accompanied by **A SINGLE REMITTANCE** for the full amount due for the relevant number of Rights Shares with Warrants accepted and (if applicable) excess Rights Shares with Warrants applied for and submitted by hand to **GOLDEN AGRI-RESOURCES LTD C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 4 SHENTON WAY, #02-01, SGX CENTRE 2, SINGAPORE 068807**, or by post in the self-addressed envelope provided, at the sender's own risk, to **GOLDEN AGRI-RESOURCES LTD C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE P.O. BOX 1597, SINGAPORE 903147**, in each case so as to arrive not later than **5.00 p.m. on 16 July 2009**. The payment must be made in the form of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore and made payable to **"CDP — GOLDEN-AGRI RIGHTS ISSUE ACCOUNT"** and crossed **"NOT NEGOTIABLE, A/C PAYEE ONLY"** with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft. **NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

(b) Acceptance/Application by way of Electronic Application through an ATM of a Participating Bank

Instructions for Electronic Applications to accept the Rights Shares with Warrants provisionally allotted or (if applicable) to apply for excess Rights Shares with Warrants will appear on the ATM screens of the respective Participating Banks. Please refer to Appendix F of this Offer Information Statement for the additional terms and conditions for Electronic Application through an ATM of a Participating Bank.

(c) Acceptance of Part of Provisional Allotment of Rights Shares with Warrants and Trading of Provisional Allotment of Rights Shares with Warrants

An Entitled Depositor may choose to accept his provisional allotment of Rights Shares with Warrants specified in the ARE in full or in part. If an Entitled Depositor wishes to accept part of his provisional allotment of Rights Shares with Warrants and trade the balance of his provisional allotment of Rights Shares with Warrants on the SGX-ST, he should:

- (i) complete the ARE for the number of Rights Shares with Warrants provisionally allotted which he wishes to accept and submit the ARE together with payment in the prescribed manner as described above to CDP; or
- (ii) accept and subscribe for that part of his provisional allotment of Rights Shares with Warrants by way of Electronic Application in the prescribed manner as described above.

The balance of his provisional allotment of Rights Shares with Warrants may be sold as soon as dealings therein commence on the SGX-ST.

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares with Warrants on the SGX-ST during the provisional allotments trading period should note that the provisional allotments of Rights Shares with Warrants will be tradable in board lots, each board lot comprising provisional allotments of 1,000 Rights Shares with Warrants, or any other board lot size which the SGX-ST may require. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market during the provisional allotments trading period. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares with Warrants as soon as dealings therein commence on the SGX-ST.

(d) Purchasers of Provisional Allotments of Rights Shares with Warrants

The ARE need not be forwarded to the Purchasers as arrangements will be made by CDP for separate ARS to be issued to the Purchasers. Purchasers should note that CDP will, on behalf of the Company, send the ARS, accompanied by this Offer Information Statement, by ordinary post and at the Purchasers' own risk, to their respective Singapore addresses as recorded with CDP. Purchasers should ensure that their ARS are accurately completed and signed, failing which the acceptance of the provisional allotments of Rights Shares with Warrants may be rejected. Purchasers who do not receive the ARS accompanied by this Offer Information Statement may obtain the ARS accompanied by this Offer Information Statement from CDP, the Share Registrar or any stockbroking firm for the period from 2 July 2009 up to **5.00 p.m. on 16 July 2009**.

This Offer Information Statement and its accompanying documents relating to the Rights Issue will not be despatched to Purchasers whose registered addresses with CDP are not in Singapore ("**Foreign Purchasers**"). Foreign Purchasers who wish to accept the provisional allotments of Rights Shares with Warrants credited by CDP to their Securities Accounts should make the necessary arrangements with their Depository Agents or finance companies in Singapore.

Purchasers should inform their finance company or Depository Agent if their purchases of such provisional allotments are settled through these intermediaries. In such instances, if the Purchasers wish to accept the Rights Shares with Warrants represented by the provisional allotments purchased, they will need to go through these intermediaries, who will then accept the Rights Shares with Warrants on their behalf.

(e) Illustrative Examples

As an illustration, if an Entitled Depositor has 1,000 Shares standing to the credit of his Securities Account as at the Books Closure Date, the Entitled Depositor will be provisionally allotted 170

Rights Shares with 68 Warrants as set out in his ARE. The Entitled Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives

- (a) Accept his entire provisional allotment of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants

Procedures to be taken

- (i) Accept his entire provisional allotment of 170 Rights Shares with 68 Warrants and (if applicable) apply for excess Rights Shares with Warrants by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 16 July 2009**; or
- (ii) Complete and sign the ARE in accordance with the instructions contained therein for the full provisional allotment of 170 Rights Shares with 68 Warrants and (if applicable) the number of excess Rights Shares with Warrants applied for and forward the ARE together with a single remittance for S\$30.60 (or, if applicable, such higher amount in respect of the total number of Rights Shares with Warrants accepted and excess Rights Shares with Warrants applied for) by way of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore and made payable to "**CDP — GOLDEN-AGRI RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" for the full amount due on acceptance and (if applicable) application, by hand to **GOLDEN AGRI-RESOURCES LTD C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 4 SHENTON WAY, #02-01, SGX CENTRE 2, SINGAPORE 068807** or by post, in the self-addressed envelope provided at his own risk, to **GOLDEN AGRI-RESOURCES LTD C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE P.O. BOX 1597, SINGAPORE 903147**, in each case so as to arrive not later than **5.00 p.m. on 16 July 2009** and with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft. **NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

Alternatives

- (b) Accept a portion of his provisional allotment of Rights Shares with Warrants, for example, accept his entitlement to 100 provisionally allotted Rights Shares with 40 Warrants and reject the balance

- (c) Accept a portion of his provisional allotment of Rights Shares with Warrants, for example, his entitlement to 100 provisionally allotted Rights Shares with 40 Warrants, and trade the balance on the SGX-ST

Procedures to be taken

- (i) Accept the provisional allotment of 100 Rights Shares with 40 Warrants by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 16 July 2009**; or
- (ii) Complete the ARE in accordance with the instructions contained therein for the provisional allotment of 100 Rights Shares with 40 Warrants and forward the ARE together with a single remittance for S\$18.00 in the prescribed manner described in alternative (a)(ii) above to CDP so as to arrive not later than **5.00 p.m. on 16 July 2009**.

The balance of the provisional allotment of 70 Rights Shares with 28 Warrants which is not accepted by the Entitled Depositor will automatically lapse and cease to be capable of acceptance by that Entitled Depositor if an acceptance is not made through an ATM of a Participating Bank by **9.30 p.m. on 16 July 2009** or if an acceptance is not made through CDP by **5.00 p.m. on 16 July 2009**.

- (i) Accept the provisional allotment of 100 Rights Shares with 40 Warrants by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 16 July 2009**; or
- (ii) Complete the ARE in accordance with the instructions contained therein for the provisional allotment of 100 Rights Shares with 40 Warrants, and forward the ARE together with a single remittance for S\$18.00 in the prescribed manner described in alternative (a)(ii) above to CDP, so as to arrive not later than **5.00 p.m. on 16 July 2009**.

The balance of the provisional allotments of 70 Rights Shares with 28 Warrants may be traded on the SGX-ST during the provisional allotment trading period. **Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares with Warrants on the SGX-ST during the provisional allotments trading period should note that the provisional allotments of Rights Shares with Warrants will be tradeable in board lots, each board lot comprising provisional allotments of 1,000 Rights Shares with Warrants, or any other board lot size which the SGX-ST may require. Entitled Depositors who wish to trade in lot sizes**

Alternatives

Procedures to be taken

other than mentioned above may do so in the Unit Share Market during the provisional allotments trading period. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares with Warrants as soon as dealings therein commence on the SGX-ST.

(f) Appropriation

An Entitled Depositor should note that:

(A) by accepting his provisional allotment of Rights Shares with Warrants or applying for excess Rights Shares with Warrants, he acknowledges that, in the case where:

- (i) the amount of remittance payable to the Company as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form for Rights Shares with Warrants and/or excess Rights Shares with Warrants differs from the amount actually received by CDP; or
- (ii) the amount as stated in the ARE, the ARS and/or in any other application form for Rights Shares with Warrants and/or excess Rights Shares with Warrants differs from the amount received by CDP, or otherwise payable by him in respect of his acceptance of the Rights Shares with Warrants provisionally allotted to him and (if applicable) in respect of his application for excess Rights Shares with Warrants,

the Company and/or CDP shall be entitled to determine and appropriate all amounts received by CDP on the Company's behalf for each application on its own whether under the ARE, the ARS and/or any other application form for Rights Shares with Warrants and/or excess Rights Shares with Warrants as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Rights Shares with Warrants provisionally allotted to him; and secondly (if applicable), towards payment of all amounts payable in respect of his application for excess Rights Shares with Warrants. The determination and appropriation by the Company and/or CDP shall be conclusive and binding on him; and

(B) in the event that the Entitled Depositor accepts the Rights Shares with Warrants provisionally allotted to him by way of the ARE and/or the ARS and/or applies for excess Rights Shares with Warrants by way of ARE and/or by way of an Electronic Application, the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor will be regarded as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and/or any other acceptance of the Rights Shares with Warrants provisionally allotted to him and/or (if applicable) application for excess Rights Shares with Warrants (including an Electronic Application) in whichever mode or combination as the Company and/or CDP may, in their absolute discretion, deem fit.

(g) Application for Excess Rights Shares with Warrants

The excess Rights Shares with Warrants available for application are subject to the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and the instructions contained in the ARE. Applications for excess Rights Shares with Warrants will, at the Directors' absolute discretion, be satisfied from such Rights Shares with Warrants as are

not validly taken up by Entitled Shareholders or their respective renouncee(s) or the Purchaser(s) of the provisional allotments of Rights Shares with Warrants, together with the aggregated fractional entitlements to the Rights Shares with Warrants, any unsold "nil-paid" provisional allotments of Rights Shares with Warrants of Foreign Shareholders and any Rights Shares with Warrants that are otherwise not allotted for whatever reason, in accordance with the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company, the instructions contained in the ARE, the ARS and/or any other application form for the Rights Shares with Warrants. In the event of applications being received by the Company for more excess Rights Shares with Warrants than are available, the excess Rights Shares with Warrants available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company. CDP takes no responsibility for any decision that the Directors may make. In the allotment of excess Rights Shares with Warrants, preference will be given to Shareholders for the rounding of odd lots and Directors and Substantial Shareholders shall rank last in priority. The Company reserves the right to reject any application for excess Rights Shares with Warrants in whole or in part without assigning any reason whatsoever.

If no excess Rights Shares with Warrants are allotted to an applicant or if the number of excess Rights Shares with Warrants allotted to an applicant is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be returned or refunded to such applicant without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date by any one or a combination of the following: (i) by crediting his bank account with the relevant Participating Bank at his own risk (if he applies through an ATM of a Participating Bank), the receipt by such bank being a good discharge to the Company and CDP of their obligations, if any, thereunder; or (ii) by means of a crossed cheque drawn in Singapore currency on a bank in Singapore and sent BY ORDINARY POST AT HIS OWN RISK to his mailing address as recorded with CDP or in such other manner as he may have agreed with CDP for the payment of any cash distributions (if he applies through CDP).

(h) Timing and Deadlines

THE LAST TIME AND DATE FOR ACCEPTANCES OF AND (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES WITH WARRANTS UNDER THE RIGHTS ISSUE IS:

- (A) 9.30 P.M. ON 16 JULY 2009 IF ACCEPTANCE OF AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES WITH WARRANTS IS MADE BY WAY OF ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK; OR**
- (B) 5.00 P.M. ON 16 JULY 2009 IF ACCEPTANCE OF AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES WITH WARRANTS IS MADE THROUGH CDP.**

It should be particularly noted that unless:

- (i) acceptance of and payment for the provisional allotments of Rights Shares with Warrants is made by the Entitled Depositors or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank and payment of the full amount payable for such Rights Shares with Warrants is effected by **9.30 p.m. on 16 July 2009**; or
- (ii) acceptance and payment is made in the form of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore and made payable to "**CDP — GOLDEN-AGRI RIGHTS ISSUE ACCOUNT**" for the Rights Shares with Warrants and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" for the full amount due on acceptance and with the names and Securities Account numbers of the Entitled Depositors or the Purchasers (as the

case may be) clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft is submitted by hand to **GOLDEN AGRI-RESOURCES LTD C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, 4 SHENTON WAY, #02-01, SGX CENTRE 2, SINGAPORE 068807**, or by post in the self-addressed envelope provided, at the sender's own risk, to **GOLDEN AGRI-RESOURCES LTD C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE P.O. BOX 1597, SINGAPORE 903147**, in each case by **5.00 p.m. on 16 July 2009**,

the provisional allotments of Rights Shares with Warrants shall be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance. In such event, CDP will, on behalf of the Company, return or refund all monies received subsequent to the specified time and date to the person(s) entitled thereto without interest or any share of revenue or other benefit arising therefrom by crediting his/their bank account(s) with the relevant Participating Bank at his/their own risk (if he/they accept and (if applicable) apply through an ATM of a Participating Bank), the receipt by such bank being a good discharge to the Company and CDP of their obligations, if any, thereunder, or by means of a crossed cheque drawn in Singapore currency on a bank in Singapore and sent BY ORDINARY POST at their own risk to their mailing address as recorded with CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions (if they apply through CDP).

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK

The procedures for Electronic Application through an ATM of a Participating Bank are set out on the ATM screens of the relevant Participating Banks (the “**Steps**”). Please read carefully the terms and conditions of this Offer Information Statement, the Steps and the terms and conditions for Electronic Applications set out below before making an Electronic Application. An ATM card issued by one Participating Bank cannot be used to accept provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants through an ATM belonging to other Participating Banks. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

Any reference to the “Applicant” in the terms and conditions for Electronic Applications and the Steps shall mean the Entitled Depositor or the Purchaser of the provisional allotment who accepts the provisional allotment of Rights Shares with Warrants or (as the case may be) who applies for the excess Rights Shares with Warrants through an ATM of a Participating Bank. An Applicant must have an existing bank account with and be an ATM cardholder of one of the Participating Banks before he can make an Electronic Application through an ATM of that Participating Bank. The actions that the Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks. Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip (“**Transaction Record**”), confirming the details of his Electronic Application. The Transaction Record is for retention by the Applicant and should not be submitted with any ARE and/or ARS.

An Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM Card issued to him in his own name. Using his own Securities Account number with an ATM Card which is not issued to him in his own name will render his acceptance or (as the case may be) application liable to be rejected.

The Electronic Application shall be made in accordance with, and subject to, the terms and conditions of this Offer Information Statement including, but not limited to, the terms and conditions appearing below:

- (1) In connection with his Electronic Application for the Rights Shares with Warrants, the Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:
 - (a) **that he has received a copy of this Offer Information Statement and has read, understood and agreed to all the terms and conditions of acceptance of his provisional allotment of Rights Shares with Warrants and (as the case may be) application for the excess Rights Shares with Warrants under the Rights Issue and this Offer Information Statement prior to effecting the Electronic Application and agrees to be bound by the same; and**
 - (b) **that he consents to the disclosure of his name, NRIC/passport number, address, nationality, CDP Securities Account number and application details (the “Relevant Particulars”) from his account with that Participating Bank to the Share Registrar, CDP, the SGX-ST, the Company, the Joint Lead Managers and Joint Underwriters (the “Relevant Parties”).**

His application will not be successfully completed and cannot be recorded as a completed transaction in the ATM unless he presses the “Enter” or “OK” or “Confirm” or “Yes” key. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two statements above. In respect of statement 1(b) above, his confirmation, by pressing the “Enter” or “OK” or “Confirm” or “Yes” key, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act, Chapter 19 of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars to the Relevant Parties.

- (2) An Applicant may make an Electronic Application through an ATM of any Participating Bank for the Rights Shares with Warrants using cash only by authorising such Participating Bank to deduct the full amount payable from his account with such Participating Bank.
- (3) The Applicant irrevocably agrees and undertakes to subscribe for and to accept up to the aggregate of the number of Rights Shares with Warrants provisionally allotted and excess Rights Shares with Warrants applied for as stated on the Transaction Record or the number of Rights Shares with Warrants represented by the provisional allotment of Rights Shares with Warrants as may be standing to the credit of the “Free Balance” of his Securities Account as at the Closing Date. In the event that the Company decides to allot any lesser number of excess Rights Shares with Warrants or not to allot any number of excess Rights Shares with Warrants to the Applicant, the Applicant agrees to accept the decision as final.
- (4) If the Applicant’s Electronic Application is successful, his confirmation (by his action of pressing the “Enter” or “OK” or “Confirm” or “Yes” key on the ATM) of the number of Rights Shares with Warrants accepted and/or excess Rights Shares with Warrants applied for shall signify and shall be treated as his acceptance of the number of Rights Shares with Warrants accepted and/or excess Rights Shares with Warrants applied for that may be allotted to him.
- (5) In the event that CDP receives instructions to accept the Rights Shares with Warrants and (if applicable) instructions to apply for excess Rights Shares with Warrants together with payment therefore both by way of the ARE and/or ARS (as the case may be), whether directly to CDP and/or by Electronic Application through an ATM of a Participating Bank, the Company and/or CDP shall be authorised and entitled to accept the Applicant’s instructions in whichever mode or combination thereof as they may, in their absolute discretion, deem fit. In determining the number of Rights Shares with Warrants which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept the lesser of the aggregate number of provisionally allotted Rights Shares with Warrants which have been accepted by the Applicant by way of the ARE and/or the ARS (as the case may be) and by Electronic Application through an ATM of a Participating Bank, and the number of Rights Shares with Warrants represented by the provisional allotment of Rights Shares with Warrants standing to the credit of the “Free Balance” of his Securities Account which is available for acceptance and payment as at the Closing Date. The Company and/or CDP, in determining the number of Rights Shares with Warrants for which the Applicant has given valid instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of the Rights Shares with Warrants, whether by way of Cashier’s Order or Banker’s Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE and/or ARS or by way of acceptance by Electronic Application through an ATM of a Participating Bank, which the Applicant has authorised or is deemed to have authorised to be applied towards the payment in respect of his acceptance.

- (6) If applicable, in the event that the Applicant applies for excess Rights Shares with Warrants both by way of ARE and by Electronic Application through an ATM of a Participating Bank, the Company and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as they may, in their absolute discretion, deem fit. In determining the number of excess Rights Shares with Warrants which the Applicant has validly given instructions to apply for, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of excess Rights Shares with Warrants not exceeding the aggregate number of excess Rights Shares with Warrants for which he has applied by way of the ARE, whether directly to CDP and/or by Electronic Application through an ATM of a Participating Bank. The Company and/or CDP, in determining the number of excess Rights Shares with Warrants which the Applicant has given valid instructions to apply for, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application for the excess Rights Shares with Warrants, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE or by way of application by Electronic Application through an ATM of a Participating Bank, which the Applicant has authorised or is deemed to have authorised to be applied towards the payment in respect of his application.
- (7) The Applicant irrevocably requests and authorises the Company to:
- (a) register, or to procure the registration of the Rights Shares and Warrants and (if applicable) the excess Rights Shares and Warrants allotted to the Applicant in the name of CDP for deposit into his Securities Account;
 - (b) return (without interest or any share of revenue or other benefit arising therefrom) the acceptance/application monies, should his Electronic Application in respect of the Rights Shares with Warrants not be accepted and/or excess Rights Shares with Warrants applied for not be accepted by the Company for any reason, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within 14 days after the Closing Date; and
 - (c) return (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should his Electronic Application for excess Rights Shares with Warrants be accepted in part only, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within 14 days after the Closing Date.
- (8) **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING/APPLYING FOR THE RIGHTS SHARES WITH WARRANTS AS NOMINEE OF ANY OTHER PERSON.**
- (9) The Applicant irrevocably agrees and acknowledges that the submission of his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses, theft (in each case whether or not within the control of the Company, CDP, the Joint Lead Managers and Joint Underwriters, the Share Registrar, the Receiving Bank and/or the Participating Banks) and any other events whatsoever beyond the control of the Company, CDP, the Joint Lead Managers and Joint Underwriters, the Share Registrar, the Receiving Bank and/or the Participating Banks and if, in any such event, the Company, CDP, the Joint Lead Managers and Joint Underwriters, the Share Registrar, the Receiving Bank and/or the Participating Banks do not record or receive the Applicant's Electronic Application by **9.30 p.m. on 16 July 2009**, or such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application and the Applicant shall have no claim whatsoever against the Company, CDP, the Joint Lead Managers and Joint Underwriters, the Share Registrar, the Receiving Bank and/or the Participating Banks in respect

of any purported acceptance thereof and (if applicable) excess application therefor, or for any compensation, loss or damages in connection therewith or in relation thereto. The Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore applies to this provision.

- (10) **Electronic Applications may only be made through an ATM of a Participating Bank from Mondays to Saturdays between 7.00 a.m. to 9.30 p.m. (excluding public holidays).**
- (11) Electronic Applications shall close at **9.30 p.m. on 16 July 2009** or such other time as the Company may, in its absolute discretion, decide.
- (12) All particulars of the Applicant in the records of his Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify his Participating Bank.
- (13) The Applicant must have sufficient funds in his bank account(s) with his Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application made through the ATMs of Participating Banks which does not strictly conform to the instructions set out on the ATM screens of such Participating Banks will be rejected.
- (14) Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance/application monies will be refunded in Singapore dollars (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's account with the relevant Participating Bank within 14 days after the Closing Date. An Electronic Application may also be accepted in part, in which case the balance amount of acceptance/application monies will be refunded on the same terms.
- (15) In consideration of the Company arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Rights Issue at **9.30 p.m. on 16 July 2009** or such other time or date as the Company may, in its absolute discretion, decide, and by making and completing an Electronic Application, the Applicant agrees that:
 - (a) his Electronic Application is irrevocable (whether or not any supplementary or replacement document is lodged with the Authority);
 - (b) his Electronic Application, the acceptance by the Company and the contract resulting therefrom shall be governed by, and construed in accordance with the laws of Singapore and he irrevocably submits to the exclusive jurisdiction of the Singapore courts;
 - (c) none of the Company, the Joint Lead Managers and Joint Underwriters, CDP, the Participating Banks, the Receiving Bank and the Share Registrar shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Company or CDP due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 9 above or to any cause beyond their respective control. The Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore applies to this provision;
 - (d) he will not be entitled to exercise any remedy of rescission for misrepresentation at any time after acceptance of the provisionally allotted Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants;
 - (e) in respect of the Rights Shares with Warrants and/or excess Rights Shares with Warrants for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written

notification by or on behalf of the Company and not otherwise, notwithstanding any payment received by or on behalf of the Company; and

- (f) unless expressly provided to the contrary in this Offer Information Statement and/or the Electronic Application, a person who is not a party to any contracts made pursuant to this Offer Information Statement and/or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
- (16) The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Banks are correct and identical, otherwise, his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.
- (17) The existence of a trust will not be recognised. Any Electronic Application by an Applicant must be made in his own name and without qualification. The Company will reject any application by any person acting as nominee.
- (18) In the event that the Applicant accepts or subscribes for the provisionally allotted Rights Shares with Warrants and/or (if applicable) applies for excess Rights Shares with Warrants, as the case may be, by way of ARE and/or ARS and/or by way of Electronic Application through any ATM of a Participating Bank, the provisionally allotted Rights Shares with Warrants and/or excess Rights Shares with Warrants will be allotted in such manner as the Company and/or CDP may, in their absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be refunded, without interest or any share of revenue or other benefit arising therefrom, within 14 days after the Closing Date by any one or a combination of the following:
- (a) by means of a crossed cheque drawn on a bank in Singapore and sent BY ORDINARY POST at his own risk to his mailing address, as recorded with CDP or in such other manner as he may have agreed with CDP for the payment of any cash distributions, if he accepts and (if applicable) applies through CDP; or
 - (b) crediting the Applicant's bank account with the relevant Participating Bank at his own risk if he accepts and (if applicable) applies through an ATM of a Participating Bank, the receipt by such bank being a good discharge to the Company and CDP of their obligations, if any, thereunder.
- (19) The Applicant hereby acknowledges that, in determining the total number of Rights Shares with Warrants represented by the provisional allotment of Rights Shares with Warrants which he can validly accept, the Company and/or CDP are entitled and the Applicant hereby authorises the Company and/or CDP to take into consideration:
- (a) the total number of Rights Shares with Warrants represented by the provisional allotment of Rights Shares with Warrants which the Applicant has validly accepted, whether under the ARE and/or any other application form (including Electronic Application through an ATM) for the Rights Shares with Warrants;
 - (b) the total number of Rights Shares with Warrants represented by the provisional allotment of Rights Shares with Warrants standing to the credit of the "Free Balance" of the Applicant's Securities Account which is available for acceptance; and

- (c) the total number of Rights Shares with Warrants represented by the provisional allotment of Rights Shares with Warrants which has been disposed of by the Applicant.

The Applicant hereby acknowledges that the Company's and/or CDP's determination shall be conclusive and binding on him.

- (20) The Applicant irrevocably requests and authorises CDP to accept instructions from the Participating Bank through whom the Electronic Application is made in respect of the provisional allotment of Rights Shares with Warrants accepted by the Applicant and (if applicable) the excess Rights Shares with Warrants which the Applicant has applied for.
- (21) Where an acceptance and/or application does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL, (if applicable) the Constitution of the Company and/or any other application form for the Right Shares with Warrants and/or excess Rights Shares with Warrants, or is illegible, incomplete, incorrectly completed or is accompanied by an improperly or insufficiently drawn remittance or does not comply with the instructions for Electronic Application, or where the "Free Balance" of the Applicant's Securities Account is not credited with, or is credited with less than the relevant number of Rights Shares with Warrants subscribed as at the Closing Date, the Company and/or CDP may, at their absolute discretion, reject or treat as invalid any such application and present for payment or other processes all remittances at any time after receipt in such manner as they may deem fit.
- (22) The Company and/or CDP shall be entitled to process each application submitted for the acceptance of the provisional allotment of Rights Shares with Warrants, and (if applicable), application for excess Rights Shares with Warrants and the payment received in relation thereto, pursuant to such application, by an Entitled Shareholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Shareholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application submitted for the acceptance of the provisional allotment of Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants.

PROCEDURES FOR ACCEPTANCE, SPLITTING, RENUNCIATION AND EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

Entitled Scripholders are entitled to receive this Offer Information Statement and the PAL which incorporates the following documents, and forms part of this Offer Information Statement:

Form of Acceptance	Form A
Request for Splitting	Form B
Form of Renunciation	Form C
Form of Nomination (with Consolidated Listing Form)	Form D
Excess Rights Shares with Warrants Application Form	Form E

The provisional allotments of Rights Shares with Warrants and application for excess Rights Shares with Warrants are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and the instructions contained in the PAL. The number of Rights Shares with Warrants provisionally allotted to each Entitled Scripholder is indicated in the PAL (fractional entitlements, if any, having been disregarded). Entitled Scripholders may accept their provisional allotments of Rights Shares with Warrants in whole or in part and are eligible to apply for Rights Shares with Warrants in excess of their entitlements under the Rights Issue. Full instructions for the acceptance of and payment for the provisional allotments of Rights Shares with Warrants and the procedures to be adopted should the Entitled Scripholders wish to renounce, transfer or split their provisional allotments are set out in this Offer Information Statement as well as the PAL.

THE FULL AMOUNT PAYABLE FOR THE RELEVANT NUMBER OF RIGHTS SHARES WITH WARRANTS ACCEPTED/APPLIED FOR WILL BE ROUNDED UP TO THE NEAREST WHOLE CENT, IF APPLICABLE.

Where any acceptance and/or application does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL, (if applicable) the Constitution of the Company and/or any other application form for Rights Shares with Warrants and/or excess Rights Shares with Warrants, or is illegible, incomplete, incorrectly completed or is accompanied by an improperly or insufficiently drawn remittance, the Company and/or the Share Registrar may, at their absolute discretion, reject or treat as invalid any such application, payment or other processes of remittances at any time after receipt in such manner as they may deem fit.

The Company and/or the Share Registrar shall be entitled to process each application submitted for the acceptance of the provisional allotment of Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants and the payment received in relation thereto, pursuant to such application, by an Entitled Scripholder or a renounee, on its own, without regard to any other application and payment that may be submitted by the same Entitled Scripholder or renounee. For the avoidance of doubt, insufficient payment for an application may render the application invalid. Evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application submitted for the acceptance of the provisional allotment of Rights Shares with Warrants and (if applicable) application for excess Rights Shares with Warrants.

Entitled Scripholders should note that all dealings in, and transactions of, the provisional allotments of Rights Shares with Warrants through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs will not be valid for delivery pursuant to trades done on the SGX-ST.

Unless expressly provided to the contrary in this Offer Information Statement and/or the PAL, a person who is not a party to any contracts made pursuant to this Offer Information Statement and/or the PAL has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

(a) Form of Acceptance (Form A)

Entitled Scripholders who wish to accept all of their provisional allotments of Rights Shares with Warrants or to accept any part of it and decline the balance, should complete and sign the Form of Acceptance (Form A) for the number of Rights Shares with Warrants which they wish to accept and forward at the sender's own risk, the PAL in its entirety, duly completed and signed, together with a single remittance for the payment in the prescribed manner to **GOLDEN AGRI-RESOURCES LTD C/O THE SHARE REGISTRAR, B.A.C.S. PRIVATE LIMITED, 63 CANTONMENT ROAD, SINGAPORE 089758** so as to reach the Share Registrar not later than **5.00 p.m. on 16 July 2009**.

(b) Request for Splitting (Form B) and Form of Renunciation (Form C)

Entitled Scripholders who wish to accept only part of their provisional allotments of Rights Shares with Warrants and renounce the balance of their provisional allotments of Rights Shares with Warrants, or who wish to renounce all or part of their provisional allotments of Rights Shares with Warrants in favour of more than one person, should first, using the Request for Splitting (Form B), request to have their provisional allotments of Rights Shares with Warrants under the PAL split into separate PALs ("**Split Letters**") according to their requirements. The duly completed Form B together with the PAL in its entirety, duly completed and signed should be returned, by post in the self-addressed envelope provided, at the sender's own risk, to **GOLDEN AGRI-RESOURCES LTD C/O THE SHARE REGISTRAR, B.A.C.S. PRIVATE LIMITED, 63 CANTONMENT ROAD, SINGAPORE 089758** so as to reach the Share Registrar not later than **5.00 p.m. on 10 July 2009**. Split Letters will then be issued to Entitled Scripholders in accordance with their request. No Split Letters will be issued to Entitled Scripholders if Form B (together with the PAL in its entirety) is received after **5.00 p.m. on 10 July 2009**.

The Split Letters representing the number of Rights Shares with Warrants which Entitled Scripholders intend to renounce, may be renounced by completing and signing the Form of Renunciation (Form C) before delivery to the renounee. Entitled Scripholders should complete Form A of the Split Letter(s) representing that part of their provisional allotments of Rights Shares with Warrants they intend to accept, if any, and forward the said Split Letter(s) together with a single remittance for the payment in the prescribed manner to **GOLDEN AGRI-RESOURCES LTD C/O THE SHARE REGISTRAR, B.A.C.S. PRIVATE LIMITED, 63 CANTONMENT ROAD, SINGAPORE 089758** so as to reach the Share Registrar not later than **5.00 p.m. on 16 July 2009**. Entitled Scripholders who wish to renounce their entire provisional allotments of Rights Shares with Warrants in favour of one person, or renounce any part of it in favour of one person and decline the balance, should complete Form C for the number of provisional allotments of Rights Shares with Warrants which they wish to renounce and deliver the PAL in its entirety to the renounees.

(c) Form of Nomination (with Consolidated Listing Form) (Form D)

Each Entitled Scripholder may consolidate the Rights Shares with Warrants provisionally allotted in the PAL together with those comprised in any PALs and/or Split Letters renounced in his favour by completing and signing Form A (Form of Acceptance) and the Consolidated Listing Form in Form D of the PAL and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed and with the serial number of the Principal PAL (as hereinafter defined) stated on each of them. A renounee who is not an Entitled Scripholder and who wishes to consolidate the provisional allotments of Rights Shares with Warrants comprised in several renounced PALs and/or Split Letters in one name only or in the name of a joint Securities Account should complete the Consolidated Listing Form in Form D (Form of Nomination) of only one PAL or Split Letter (the "**Principal PAL**") by entering therein details of the renounced PALs and/or Split Letters and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed, and with the serial number of the Principal PAL stated on each of them. **ALL THE RENOUNCED PALS AND SPLIT LETTERS, EACH DULY COMPLETED AND SIGNED, MUST BE ATTACHED TO FORM A OR FORM D (AS THE CASE MAY BE).**

(d) Payment

Payment in relation to the PALs must be made in the form of a Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore and made payable to "**GOLDEN-AGRI RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and address of the Entitled Scripholder or acceptor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft. The completed and signed PAL and remittance should be forwarded, by post in the self-addressed envelope provided at the sender's own risk, to **GOLDEN AGRI-RESOURCES LTD C/O THE SHARE REGISTRAR, B.A.C.S. PRIVATE LIMITED, 63 CANTONMENT ROAD, SINGAPORE 089758** so as to reach the Share Registrar not later than **5.00 p.m. on 16 July 2009. NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

If acceptance and payment in the manner specified in the PAL are not received by **5.00 p.m. on 16 July 2009**, the provisional allotments of Rights Shares with Warrants will be deemed to have been declined and shall forthwith lapse and become void and will cease to be capable of acceptance, and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. The Company will return all unsuccessful application monies received in connection therewith BY ORDINARY POST and at the risk of the Entitled Scripholders or their renounee(s), as the case may be, without interest or share of revenue or other benefit arising therefrom within 14 days after the Closing Date.

(e) Excess Rights Shares with Warrants Application Form (Form E)

Entitled Scripholders who wish to apply for excess Rights Shares with Warrants in addition to those which have been provisionally allotted to them may do so by completing and signing the Excess Rights Shares with Warrants Application Form (Form E) and forwarding it with a separate remittance for the full amount payable in respect of the excess Rights Shares with Warrants applied for in the form and manner set out above, by post in the self-addressed envelope provided at their own risk, to **GOLDEN AGRI-RESOURCES LTD C/O THE SHARE REGISTRAR, B.A.C.S. PRIVATE LIMITED, 63 CANTONMENT ROAD, SINGAPORE 089758** so as to reach the Share Registrar not later than **5.00 p.m. on 16 July 2009. NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

The excess Rights Shares with Warrants available for application are subject to the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and the instructions contained in the PAL (including Form E). Applications for excess Rights Shares with Warrants will, at the absolute discretion of the Directors, be satisfied from such Rights Shares with Warrants as are not validly taken up by the Entitled Shareholders or their respective renounee(s) or the Purchaser(s) of the provisional allotments of Rights Shares with Warrants, together with the aggregated fractional entitlements to the Rights Shares with Warrants, the unsold "nil-paid" provisional allotments of Rights Shares with Warrants (if any) of Foreign Shareholders and any Rights Shares with Warrants that are otherwise not allotted for whatever reason in accordance with the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and the instructions contained in the PAL (including Form E) and/or any other application form for the Rights Shares with Warrants. In the event that applications are received by the Company for more excess Rights Shares with Warrants than are available, the excess Rights Shares with Warrants available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. In the allotment of excess Rights Shares with Warrants, preference will be given to Shareholders for the rounding of odd lots, and Directors and Substantial Shareholders shall rank last in priority. The Company reserves the right to reject any application for excess Rights Shares with Warrants, in whole or in part, without assigning any reason whatsoever.

In the event that the number of excess Rights Shares with Warrants allotted to an applicant is less than the number of excess Rights Shares with Warrants applied for, such applicant shall be deemed to have accepted the number of excess Rights Shares with Warrants actually allotted to him.

If no excess Rights Shares with Warrants are allotted to Entitled Scripholders or if the number of excess Rights Shares with Warrants allotted to them is less than that applied for, it is expected that the amount paid on application or the surplus application monies, as the case may be, will be refunded to them by the Company without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date, **BY ORDINARY POST** at their own risk.

(f) General

No acknowledgements or receipts will be issued in respect of any acceptances, remittances or applications.

Entitled Scripholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Upon the listing and quotation on the Official List of the Main Board of the SGX-ST, any trading of the Rights Shares, the Warrants and the New Shares on the SGX-ST will be via the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Rights Shares, the Warrants and/or the New Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited", "Terms and Conditions for The Central Depository (Pte) Limited to act as Depository for the Rights Shares" and "Terms and Conditions for the Central Depository (Pte) Limited to act as Depository for the Warrants", as the same may be amended from time to time, copies of which are available from CDP.

To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares with Warrants provisionally allotted to them and (if applicable) apply for excess Rights Shares with Warrants and who wish to trade the Rights Shares and Warrants issued to them on the SGX-ST under the book-entry (scripless) settlement system should open and maintain Securities Accounts with CDP in their own names (if

they do not already maintain such Securities Accounts) before accepting any Rights Shares with Warrants or applying for any excess Rights Shares with Warrants in order for the number of Rights Shares and Warrants and, if applicable, the excess Rights Shares and Warrants that may be allotted and issued to them to be credited by CDP to their Securities Accounts. Entitled Scripholders and their renounees who wish to accept and/or apply for the excess Rights Shares with Warrants must fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renounees who fail to do so or whose particulars are incorrect or invalid or whose particulars as provided differ from those particulars in their Securities Accounts maintained with CDP will be issued physical share certificates and warrant certificates in their own names for the Rights Shares and Warrants allotted to them and if applicable, the excess Rights Shares and Warrants allotted to them. Such physical share certificates and warrant certificates, if issued, will be forwarded to such person(s) entitled thereto by ordinary post at their own risk. Physical share certificates and warrant certificates will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system although they will continue to be *prima facie* evidence of legal title.

If the Entitled Scripholders' addresses stated in the PALs are different from their addresses registered with CDP, they must inform CDP of their updated addresses promptly, failing which the notification letters on successful allotments will be sent to their addresses last registered with CDP.

A holder of physical share certificate(s) and/or warrant certificate(s), or an Entitled Scripholder who has not deposited his share certificate(s) and/or warrant certificate(s) with CDP but who wishes to trade on the SGX-ST, must deposit with CDP his respective certificate(s), together with the duly executed instrument(s) of transfer in favour of CDP, and have his Securities Account credited with the number of Rights Shares and Warrants or existing Shares, as the case may be, before he can effect the desired trade.

THE LAST TIME AND DATE FOR ACCEPTANCES OF AND/OR EXCESS APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES WITH WARRANTS IS 5.00 P.M. ON 16 JULY 2009.

LIST OF PARTICIPATING BANKS

PARTICIPATING BANKS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

DBS Bank Ltd (including POSB)

Oversea-Chinese Banking Corporation Limited

United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited

FORM OF INVESTOR REPRESENTATION LETTER

Important Note to QIBs:

Please return a duly signed investor representation letter to Golden Agri-Resources Ltd (the "**Company**"), by mail, fax or e-mail to the Company so as to reach the Company on or before 16 July 2009. Please also forward a copy of the signed investor representation letter to your depository agent, financial intermediary or nominee. You should note that if you do not return a duly signed investor representation letter in a timely manner, you may not be eligible to participate in the Rights Issue and will not be allowed to receive the Offer Information Statement and/or its accompanying documents.

Dated _____ 2009

Golden Agri-Resources Ltd
c/o 3 Shenton Way #17-03
Singapore 068805
Fax: +65 6329 5723
Attention: Mr Simon Lim

With a copy to:

BNP Paribas, Singapore Branch ("**BNP Paribas**")
20 Collyer Quay
#01-01 Tung Centre
Singapore 049319
Fax: +65 6210 1082
Attention: Mr Tan Swee Chiew

Credit Suisse (Singapore) Limited ("**Credit Suisse**")
One Raffles Link
#03-01, South Lobby
Singapore 039393
Fax: +65 6212 7890, with a copy to +852 3969 7725
Attention: Legal and Compliance Department

UBS AG, acting through its business division, UBS Investment Bank ("**UBS**")
One Raffles Quay
#50-01 North Tower
Singapore 048583
Fax: +65 6495 5722
Attention: Mr Jeremy Sng

Ladies and Gentlemen:

This letter is delivered in connection with our exercise of subscription rights to subscribe for shares (the "**Shares**") in the capital of the Company in connection with the rights issue (the "**Rights Issue**") of 1,763,739,384 rights Shares ("**Rights Shares**") (with up to 705,495,753 free detachable warrants (the "**Warrants**")), including the rights in nil paid form to subscribe for Rights Shares ("**Nil-Paid Rights**" and, together with the Rights Shares and the Warrants, the "**Securities**") on the basis of 17 Rights Shares for every 100 Shares held by or standing to credit of our Securities Account, as at the books closure date for the Rights Issue, and two (2) Warrants for every five (5) Rights Shares subscribed. We hereby represent, warrant and agree that at all times before the settlement of the Rights Issue:

1. We are a “qualified institutional buyer” (“**QIB**”) (as defined in Rule 144A under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) with the full power and authority to make the acknowledgements, representations and agreements contained herein, and, if we are acquiring the Securities as a fiduciary or agent for one or more investor accounts, each owner of such account is a QIB, we have investment discretion with respect to each such account, and we have the full power and authority to make the acknowledgements, representations and agreements contained herein on behalf of each owner of such account and, in such event, the references to us in such acknowledgements, representations and agreements contained herein shall be read to include each owner of such account.
2. We are an existing shareholder of the Company and are acquiring the Securities for our own account, or for the account of one or more QIB(s) as to which we have full investment discretion, in each case for investment purposes, and not with a view to any distribution (within the meaning of the U.S. securities laws) of the Securities.
3. We understand, and each beneficial owner has been advised, that the Securities have not been and will not be registered under the Securities Act, and are being offered and sold to us (or such beneficial owner) in a transaction not involving a public offering, or in reliance on an exemption from the registration requirements of the Securities Act.
4. We understand that the Securities are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act and may not be deposited into any unrestricted depository receipt facility, unless at the time of deposit such Securities are no longer “restricted securities” within the meaning of Rule 144(a)(3) of the Securities Act.
5. We acknowledge that the Shares are listed on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and that the Company is therefore required to publish certain business and financial information in accordance with the rules and practices of the SGX-ST (the “**Exchange Information**”) and that we are able to obtain or access such information without undue difficulty. We understand that the Exchange Information has been prepared in accordance with SGX-ST format, style and content, which differs from US format, style and content. We understand that the financial statements included in the OIS (as defined below) were not prepared in connection with an offering registered with the United States Securities and Exchange Commission (the “**SEC**”) under the Securities Act. Furthermore, we understand that the work has not been carried out in accordance with auditing standards generally accepted in the United States of America and accordingly should not be relied upon as if it has been carried out in accordance with those standards.
6. We are not acquiring or subscribing for the Securities as a result of any general solicitation or general advertising, including advertisements, articles, notices, or other communications published in any newspaper, magazine or similar media or broadcast over radio or television; or any seminar or meeting whose attendees have been invited by general solicitation or general advertising.
7. We have read a copy of the offer information statement dated 29 June 2009 relating to the Securities (the “**OIS**”), and have had access to the financial and other information regarding the Company and the Securities as we will have requested in connection with our investment decision to subscribe for and purchase the Securities. We agree that we have held and will hold the OIS in confidence, it being understood that the OIS was received by us solely for our use and that we have not duplicated, distributed, forwarded, transferred or otherwise transmitted the OIS, any provisional allotment letter relating to the Rights Issue, or any other materials concerning the Rights Issue (including electronic copies thereof) to any persons within the United States, and agree that such materials shall not be duplicated, distributed, forwarded, transferred or otherwise transmitted by us. We have not relied on financial or other information supplied to us by any person other than information contained in the OIS or information provided by the Company. We have made our own assessment concerning the relevant tax, legal and other economic

considerations relevant to our investment in the Securities including whether the Company and any of its direct or indirect subsidiaries is a “passive foreign investment company” (a “**PFIC**”) within the meaning of section 1297 of the U.S. Internal Revenue Code of 1986, as amended, and the consequences of the acquisition, ownership and disposition of a direct or indirect interest in a PFIC. We understand that if the Company were determined to be a PFIC, there would be adverse tax consequences for a U.S. holder of the Securities.

8. We acknowledge that (a) any information that we have received or will receive relating to the Rights Issue and the Securities, including the OIS and the Exchange Information (collectively, the “**Information**”), has been prepared solely by the Company and (b) that none of BNP Paribas, Credit Suisse and UBS, or their respective affiliates has verified such Information, and no recommendation, promise, representation or warranty (express or implied) is or has been made or given by BNP Paribas, Credit Suisse and UBS or their respective affiliates as to the accuracy, completeness or sufficiency of the Information, and nothing contained in the Information is, or shall be relied upon as, a promise, representation or warranty by them or their affiliates.
9. Prior to deciding to subscribe for the Securities, we (a) will have consulted with our own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent we have deemed necessary, (b) will have possessed all information relating to the Company and the Securities which we believe is necessary for the purpose of making our investment decision, (c) have had a reasonable opportunity to ask questions of and receive answers from officers and representatives of the Company concerning the respective financial condition and results of operations of the Company and the purchase of the Securities, and any such questions have been answered to our satisfaction, (d) will have reviewed all information that we believe is necessary or appropriate in connection with a purchase of the Securities and (e) will have conducted our own due diligence on the Company and the Rights Issue, and will have made our own investment decisions based upon our own judgment, due diligence and advice from such advisers as we have deemed necessary and will have not relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of BNP Paribas, Credit Suisse and UBS or their respective affiliates (including any research reports).
10. We will not hold BNP Paribas, Credit Suisse and UBS or any of their respective affiliates responsible for any misstatements in or omissions in the Information or in any other written or oral information provided by the Company to us. We acknowledge that no written or oral information relating to the Rights Issue and the Securities has been provided by BNP Paribas, Credit Suisse and UBS or any of their respective affiliates to us.
11. We understand and agree that we may not rely, and we have not relied, on any investigation that BNP Paribas, Credit Suisse and UBS or any of their respective affiliates or any person acting on their behalf has conducted with respect to the Rights Issue or the Securities, and neither of them nor any affiliate thereof, nor any of their respective affiliates, employees, officers, directors or representatives has made any recommendation, promise, representation or warranty to them, express or implied, with respect to the Company, the Rights Issue or the Securities.
12. We have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Securities, and we have the financial ability to bear the economic risk of investment in the Securities and to sustain a complete loss in connection therewith.

13. We agree that in the event that at some future time we wish to reoffer, resell, pledge or otherwise transfer any of the Securities, we will not do so except in accordance with any applicable U.S. federal law or securities laws of any state of the United States and we certify that either:
- (a) we will transfer the Securities in an offshore transaction in accordance with Rule 903 or 904 of Regulation S under the Securities Act, which includes for the avoidance of doubt a bona fide sale on the SGX-ST that has not been prearranged with any counterparty thereto;
 - (b) we will transfer the Securities in a transaction exempt from the registration requirements of the Securities Act and provide an opinion of counsel reasonably satisfactory to the Company which states that the transfer is exempt from the registration requirements of the Securities Act; or
 - (c) we will transfer the Securities pursuant to an effective registration statement under the Securities Act.
14. We acknowledge that the Company, BNP Paribas, Credit Suisse, UBS their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agree that the foregoing acknowledgements, representations, warranties and agreements will be valid as if repeated at all times up to the date of closing of the Rights Issue.

We understand that the Company, BNP Paribas, Credit Suisse, UBS and their respective affiliates are relying on this letter in order to comply with U.S. and other securities laws. We irrevocably authorise any depository, which includes any nominee, custodian or other financial intermediary through which we hold Shares, to provide the Company, BNP Paribas, Credit Suisse and UBS with a copy of this letter and such information regarding our identity and holding of Shares (including pertinent account information and details of our identity and contact information) as is necessary or appropriate to facilitate our acquisition or exercise of Nil-Paid Rights or purchase of Rights Shares (with Warrants). We also irrevocably authorise the Company, BNP Paribas, Credit Suisse and UBS and their respective affiliates to produce this letter or a copy hereof to any interested party in any administrative, arbitration or legal proceeding or official inquiry with respect to the matters set forth herein.

Very truly yours,

By Institution:

Signature

Institution's Address:

Daytime Telephone Number:

Name:

Title:

If signing on behalf of another person, please indicate the capacity in which signed

Name, address and contact details of the financial intermediary or nominee in Singapore through which the Shares are held:

Note: A copy of our PAL or ARS/ARE is attached to this Investor Representation Letter. We have forwarded our PAL or ARS/ARE, together with this Investor Representation Letter, to our financial intermediary or nominee in Singapore.

Please note that this Investor Representation Letter does not represent an order to subscribe for or purchase Securities.

The Directors collectively and individually accept responsibility for the accuracy of the information given in this Offer Information Statement and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed in this Offer Information Statement are fair and accurate in all material respects as at the date of this Offer Information Statement and there are no material facts the omission of which would make any statement in this Offer Information Statement misleading in any material respect. Where information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Offer Information Statement.

Dated this 29th day of June 2009

For and on behalf of **GOLDEN AGRI-RESOURCES LTD**

FRANKY OESMAN WIDJAJA⁽¹⁾
Chairman and Chief Executive Officer

MUKTAR WIDJAJA⁽²⁾
Director and President

FRANKLE (DJAFAR) WIDJAJA
Director

SIMON LIM⁽³⁾
Director and Chief Financial Officer

RAFAEL BUHAY CONCEPCION, JR.
Director

HONG PIAN TEE
Independent Director

LEW SYN PAU
Independent Director

KANEYALALL HAWABHAY⁽⁴⁾
Independent Director

WILLIAM CHUNG NIEN CHIN⁽⁵⁾
Independent Director

Notes:

- (1) Signed by Rafael Buhay Concepcion, Jr. for and on behalf of Franky Oesman Widjaja pursuant to a Power of Attorney dated 9 June 2009
- (2) Signed by Rafael Buhay Concepcion, Jr. for and on behalf of Muktar Widjaja pursuant to a Power of Attorney dated 9 June 2009
- (3) Signed by Rafael Buhay Concepcion, Jr. for and on behalf of Simon Lim pursuant to a Power of Attorney dated 9 June 2009
- (4) Signed by Rafael Buhay Concepcion, Jr. for and on behalf of Kaneyalall Hawabhay pursuant to a Power of Attorney dated 10 June 2009
- (5) Signed by Rafael Buhay Concepcion, Jr. for and on behalf of William Chung Nien Chin pursuant to a Power of Attorney dated 10 June 2009

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