

GOLDEN AGRI-RESOURCES LTD
Half Year Financial Statement And Dividend Announcement
FINANCIAL HIGHLIGHTS

	1st Half 2017 US\$'000	1st Half 2016 US\$'000	Change %	2nd Qtr 2017 US\$'000	2nd Qtr 2016 US\$'000	Change %
Revenue	3,802,960	3,235,377	17.5	1,756,514	1,741,774	0.8
Gross Profit	546,533	425,627	28.4	255,596	163,259	56.6
EBITDA ¹	328,268	227,764	44.1	145,488	85,889	69.4
Underlying profit/(loss) ²	137,054	42,893	219.5	53,456	(6,416)	n.m.
Underlying profit/(loss) per share (USD cents)	1.08	0.34	219.5	0.42	(0.05)	n.m.
Net Profit attributable to owners of the Company	59,427	133,613	(55.5)	21,875	39,522	(44.7)

Notes:

- (1) Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, net gain from changes in fair value of biological assets and foreign exchange gain/(loss).
- (2) Net profit attributable to owners of the Company excluding net effect of net gain from changes in fair value of biological assets and depreciation of bearer plants and other non-operating items (foreign exchange gain or loss, net tax impact from tax-based asset revaluations, and other deferred tax income or expense).
- (3) n.m. – not meaningful.

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

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

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

	1st Half 2017 US\$'000	1st Half 2016 US\$'000	Change %	2nd Qtr 2017 US\$'000	2nd Qtr 2016 US\$'000	Change %
Revenue	3,802,960	3,235,377	17.5	1,756,514	1,741,774	0.8
Cost of sales	<u>(3,256,427)</u>	<u>(2,809,750)</u>	15.9	<u>(1,500,918)</u>	<u>(1,578,515)</u>	(4.9)
Gross profit	<u>546,533</u>	<u>425,627</u>	28.4	<u>255,596</u>	<u>163,259</u>	56.6
Operating expenses						
Selling expenses	(274,243)	(257,915)	6.3	(132,735)	(105,790)	25.5
General and administrative expenses	<u>(152,075)</u>	<u>(148,291)</u>	2.6	<u>(78,709)</u>	<u>(78,513)</u>	0.2
Total operating expenses	<u>(426,318)</u>	<u>(406,206)</u>	5.0	<u>(211,444)</u>	<u>(184,303)</u>	14.7
Operating profit/(loss)	<u>120,215</u>	<u>19,421</u>	519.0	<u>44,152</u>	<u>(21,044)</u>	n.m.
Other income/(expenses)						
Financial income	14,276	12,258	16.5	7,592	6,368	19.2
Financial expenses	(71,291)	(64,448)	10.6	(35,822)	(32,264)	11.0
Share of results of associated companies, net of tax	1,031	(161)	n.m.	451	(135)	n.m.
Share of results of joint ventures, net of tax	2,839	5,366	(47.1)	1,230	1,839	(33.1)
Foreign exchange gain/(loss)	3,705	30,640	(87.9)	4,860	(21,243)	n.m.
Other operating income	<u>11,880</u>	<u>23,255</u>	(48.9)	<u>6,391</u>	<u>13,698</u>	(53.3)
	<u>(37,560)</u>	<u>6,910</u>	n.m.	<u>(15,298)</u>	<u>(31,737)</u>	(51.8)
Profit/(Loss) before tax	82,655	26,331	213.9	28,854	(52,781)	n.m.
Tax	<u>(22,121)</u>	<u>110,844</u>	n.m.	<u>(6,576)</u>	<u>96,356</u>	n.m.
Profit for the period	<u>60,534</u>	<u>137,175</u>	(55.9)	<u>22,278</u>	<u>43,575</u>	(48.9)
Attributable to:						
Owners of the Company	59,427	133,613	(55.5)	21,875	39,522	(44.7)
Non-controlling interests	<u>1,107</u>	<u>3,562</u>	(68.9)	<u>403</u>	<u>4,053</u>	(90.1)
	<u>60,534</u>	<u>137,175</u>	(55.9)	<u>22,278</u>	<u>43,575</u>	(48.9)

Note:

(1) n.m. – not meaningful.

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

	1st Half 2017 US\$'000	1st Half 2016 US\$'000	2nd Qtr 2017 US\$'000	2nd Qtr 2016 US\$'000
Profit for the period	60,534	137,175	22,278	43,575
Other comprehensive income/(loss):				
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Foreign currency translation differences on consolidation	6,940	(1,950)	4,201	(4,767)
Share of other comprehensive income of a joint venture	457	1,210	4	155
Changes in fair value of cash flow hedges	(146)	1,370	(77)	628
Changes in fair value of cash flow hedges transferred to income statement	(222)	-	(222)	-
Changes in fair value of available-for-sale financial assets	(8,172)	419	1,402	2,072
	(1,143)	1,049	5,308	(1,912)
<u>Items that will not be reclassified subsequently to profit or loss:</u>				
Actuarial loss on post-employment benefits	(7,619)	(10,558)	(7,619)	(10,558)
Other comprehensive loss, net of tax	(8,762)	(9,509)	(2,311)	(12,470)
Total comprehensive income for the period, net of tax	51,772	127,666	19,967	31,105
Total comprehensive income attributable to:				
Owners of the Company	50,580	124,445	19,544	27,428
Non-controlling interests	1,192	3,221	423	3,677
	51,772	127,666	19,967	31,105

ADDITIONAL INFORMATION

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

	1st Half 2017 US\$'000	1st Half 2016 US\$'000	Change %	2nd Qtr 2017 US\$'000	2nd Qtr 2016 US\$'000	Change %
Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, net gain from changes in fair value of biological assets and foreign exchange gain/(loss) ("EBITDA")	328,268	227,764	44.1	145,488	85,889	69.4
Interest on borrowings	(70,589)	(62,936)	12.2	(35,425)	(31,519)	12.4
Depreciation and amortisation	(178,859)	(174,286)	2.6	(87,086)	(88,891)	(2.0)
Net gain from changes in fair value of biological assets	130	5,149	(97.5)	1,017	2,983	(65.9)
Foreign exchange gain/(loss)	3,705	30,640	(87.9)	4,860	(21,243)	n.m.
Profit/(Loss) before tax	82,655	26,331	213.9	28,854	(52,781)	n.m.

Note:

(1) n.m. – not meaningful.

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

	Group		Company	
	As at 30/6/2017 <u>US\$'000</u>	As at 31/12/2016 <u>US\$'000</u>	As at 30/6/2017 <u>US\$'000</u>	As at 31/12/2016 <u>US\$'000</u>
Assets				
Current Assets				
Cash and cash equivalents	197,025	153,007	149	77
Short-term investments	214,738	201,972	-	-
Trade receivables	437,199	561,411	-	-
Other current assets (note (a))	916,176	892,529	439	19
Inventories	985,654	967,138	-	-
	<u>2,750,792</u>	<u>2,776,057</u>	<u>588</u>	<u>96</u>
Non-Current Assets				
Long-term receivables and assets (note (b))	262,625	253,008	-	-
Long-term investments	833,342	847,370	334,905	333,300
Subsidiary companies	-	-	1,980,367	2,040,149
Associated companies	11,195	10,158	-	-
Joint ventures	71,598	62,112	-	-
Investment properties	982	986	-	-
Property, plant and equipment	2,765,624	2,788,483	-	-
Bearer plants	1,039,379	1,101,374	-	-
Deferred tax assets	293,572	301,860	-	-
Intangible assets	166,187	165,007	-	-
	<u>5,444,504</u>	<u>5,530,358</u>	<u>2,315,272</u>	<u>2,373,449</u>
Total Assets	<u>8,195,296</u>	<u>8,306,415</u>	<u>2,315,860</u>	<u>2,373,545</u>

UNAUDITED STATEMENTS OF FINANCIAL POSITION (cont'd)

	Group		Company	
	As at 30/6/2017 <u>US\$'000</u>	As at 31/12/2016 <u>US\$'000</u>	As at 30/6/2017 <u>US\$'000</u>	As at 31/12/2016 <u>US\$'000</u>
Liabilities and Equity				
Current Liabilities				
Short-term loans	1,001,097	1,112,377	-	-
Bonds and notes payable	636,844	661,379	-	-
Trade payables	483,923	575,940	-	-
Other payables (note (c))	338,241	348,945	30,494	30,594
Taxes payable	16,857	16,375	-	-
Obligations under finance lease	16	84	-	-
	2,476,978	2,715,100	30,494	30,594
Non-Current Liabilities				
Bonds and notes payable	281,818	420,158	-	-
Long-term borrowings	1,044,878	872,373	-	-
Deferred tax liabilities	107,187	117,627	-	-
Long-term payables and liabilities	151,519	85,206	-	-
	1,585,402	1,495,364	-	-
Total Liabilities	4,062,380	4,210,464	30,494	30,594
Equity Attributable to Owners of the Company				
Issued capital	320,939	320,939	320,939	320,939
Share premium	1,216,095	1,216,095	1,850,965	1,850,965
Treasury shares	(31,726)	(31,726)	(31,726)	(31,726)
Other paid-in capital	184,318	184,318	-	-
Other reserves				
Option reserve	31,471	31,471	31,471	31,471
Currency translation reserve	(5,692)	(12,909)	-	-
Fair value reserve	(3,353)	4,819	-	-
PRC statutory reserve	3,820	3,820	-	-
Hedging reserve	-	368	-	-
Other reserve	9,369	27,656	-	-
	35,615	55,225	31,471	31,471
Retained earnings	2,310,910	2,308,899	113,717	171,302
	4,036,151	4,053,750	2,285,366	2,342,951
Non-controlling Interests	96,765	42,201	-	-
Total Equity	4,132,916	4,095,951	2,285,366	2,342,951
Total Liabilities and Equity	8,195,296	8,306,415	2,315,860	2,373,545

UNAUDITED STATEMENTS OF FINANCIAL POSITION (cont'd)

Note:

(a) Other Current Assets

	Group		Company	
	As at	As at	As at	As at
	30/6/2017	31/12/2016	30/6/2017	31/12/2016
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
Prepaid expenses	59,849	22,485	17	18
Prepaid taxes, net	142,296	211,711	421	-
Deposits and advances to suppliers	277,437	269,567	-	-
Biological assets	85,296	85,166	-	-
Derivative receivable	-	17,264	-	-
Others	140,418	88,022	1	1
	<u>705,296</u>	<u>694,215</u>	<u>439</u>	<u>19</u>
Receivable from joint ventures	210,815	198,272	-	-
Receivable from related parties	65	42	-	-
	<u>916,176</u>	<u>892,529</u>	<u>439</u>	<u>19</u>

(b) Long-Term Receivables and Assets

	Group		Company	
	As at	As at	As at	As at
	30/6/2017	31/12/2016	30/6/2017	31/12/2016
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
Loan receivable from joint ventures	24,174	21,000	-	-
Tax recoverable	169,501	163,472	-	-
Advances for project plasma plantations	20,372	18,992	-	-
Advances for projects	23,273	21,802	-	-
Land clearing	1,715	1,968	-	-
Advances for investments in land	1,495	2,759	-	-
Others	22,095	23,015	-	-
	<u>262,625</u>	<u>253,008</u>	<u>-</u>	<u>-</u>

(c) Other Payables

	Group		Company	
	As at	As at	As at	As at
	30/6/2017	31/12/2016	30/6/2017	31/12/2016
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
Advances and deposits	36,215	87,577	-	-
Accrued expenses	68,414	55,381	88	280
Payable to third parties	199,662	176,053	-	-
Others	27,973	25,256	6	5
	<u>332,264</u>	<u>344,267</u>	<u>94</u>	<u>285</u>
Payable to related parties	5,977	4,678	30,400	30,309
	<u>338,241</u>	<u>348,945</u>	<u>30,494</u>	<u>30,594</u>

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

	As at 30/6/2017			As at 31/12/2016		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Amount repayable in one year or less, or on demand	627,268	1,010,689	1,637,957	716,429	1,057,411	1,773,840
Amount repayable after one year	966,701	359,995	1,326,696	872,373	420,158	1,292,531
Total	1,593,969	1,370,684	2,964,653	1,588,802	1,477,569	3,066,371

Details of any collateral

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

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

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

	1st Half 2017 US\$'000	1st Half 2016 US\$'000	2nd Qtr 2017 US\$'000	2nd Qtr 2016 US\$'000
Cash flows from operating activities				
Profit/(Loss) before tax	82,655	26,331	28,854	(52,781)
Adjustments for:				
Depreciation	177,636	173,365	86,464	88,452
Amortisation	1,223	921	622	439
Net gain from changes in fair value of biological assets	(130)	(5,149)	(1,017)	(2,983)
Unrealised foreign exchange gain	(6,787)	(12,230)	(12,879)	(1,024)
Share of results of associated companies, net of tax	(1,031)	161	(451)	135
Share of results of joint ventures, net of tax	(2,839)	(5,366)	(1,230)	(1,839)
Gain on disposal of property, plant and equipment	-	(224)	(75)	(162)
Property, plant and equipment written off	286	595	166	316
Bearer plants written off	411	337	10	337
Allowance for/(Write-back of) impairment loss on:				
Inventories, net	3,612	172	2,187	(74)
Trade receivables, net	(335)	21	(335)	(24)
Changes in fair value of financial assets at fair value through profit or loss	996	(5,212)	533	(1,979)
Loss on disposal of a joint venture	1,309	-	1,309	-
Interest income	(14,276)	(12,258)	(7,592)	(6,368)
Interest expense	70,589	62,936	35,425	31,519
Operating cash flow before working capital changes	313,319	224,400	131,991	53,964
Changes in operating assets and liabilities:				
Trade receivables	124,549	(14,701)	127,831	(65,749)
Other current assets	(50,827)	(173,520)	45,889	(119,539)
Inventories	(22,129)	(148,231)	42,876	(109,290)
Trade payables	(92,017)	(54,979)	(205,828)	8,228
Other payables	58,040	33,854	(8,907)	(2,471)
Cash generated from/(used in) operations	330,935	(133,177)	133,852	(234,857)
Interest received	6,393	7,084	3,000	3,689
Interest paid	(67,026)	(58,090)	(35,619)	(33,315)
Tax refund/(paid)	47,363	58,882	(15,885)	50,379
Net cash generated from/(used in) operating activities	317,665	(125,301)	85,348	(214,104)

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

	1st Half 2017 <u>US\$'000</u>	1st Half 2016 <u>US\$'000</u>	2nd Qtr 2017 <u>US\$'000</u>	2nd Qtr 2016 <u>US\$'000</u>
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	5,935	4,308	5,787	3,164
Proceeds from disposal of bearer plants	669	188	328	159
Capital expenditure on property, plant and equipment	(72,108)	(98,322)	(37,683)	(51,404)
Capital expenditure on bearer plants	(17,290)	(4,300)	(14,345)	(2,688)
(Investments in)/Proceeds from financial assets, net	(7,906)	22,014	2,922	16,578
Additional investment in a joint venture	-	(1,000)	-	(500)
Proceeds from disposal of a joint venture	1,076	-	1,076	-
Cash inflow from non-controlling interest for incorporation of subsidiaries	23	-	23	-
(Investments in)/Proceeds from Plasma/KKPA Program plantations, net	(1,213)	(632)	(582)	160
Dividends received from a joint venture	785	2,250	785	1,250
Payments for intangible assets	(2,207)	(2,154)	(766)	(496)
Net increase in long-term receivables and assets	(2,540)	(1,584)	10,287	(2,422)
Net cash used in investing activities	<u>(94,776)</u>	<u>(79,232)</u>	<u>(32,168)</u>	<u>(36,199)</u>
Cash flows from financing activities				
Proceeds from short-term borrowings	1,185,493	1,261,663	653,683	904,891
Proceeds from long-term borrowings	269,966	345,348	109,966	80,751
Payments of dividends	(57,416)	(47,462)	(57,416)	(47,462)
Payments of short-term borrowings	(1,315,460)	(1,248,445)	(521,055)	(680,098)
Payments of long-term borrowings	(75,194)	(107,505)	(46,971)	(54,182)
Payments of obligations under finance lease	(68)	(58)	(35)	(33)
Payments of bonds and notes payable	(183,238)	(80,645)	(183,238)	-
Payments of deferred loan charges and bank loan administration costs	(2,954)	(4,126)	(1,050)	(1,013)
Decrease/(Increase) in cash in banks and time deposits pledged	14,391	(28,619)	(8,996)	(3,846)
Net cash (used in)/generated from financing activities	<u>(164,480)</u>	<u>90,151</u>	<u>(55,112)</u>	<u>199,008</u>
Net increase/(decrease) in cash and cash equivalents	58,409	(114,382)	(1,932)	(51,295)
Cash and cash equivalents at the beginning of the period	<u>122,690</u>	<u>226,888</u>	<u>183,031</u>	<u>163,801</u>
Cash and cash equivalents at the end of the period (See Note below)	<u>181,099</u>	<u>112,506</u>	<u>181,099</u>	<u>112,506</u>

Note:

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

	30/6/2017 <u>US\$'000</u>	30/6/2016 <u>US\$'000</u>
Time deposits, cash and bank balances	197,025	157,853
Less: Cash in banks and time deposits pledged	(15,926)	(45,347)
	<u>181,099</u>	<u>112,506</u>

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

The Group	<----- Attributable to Owners of the Company ----->						Total	Non-Controlling Interests	Total Equity
	Issued Capital	Share Premium	Treasury Shares	Other Paid-in Capital	Other Reserves	Retained Earnings			
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>			
Balance at 1 Jan 2017	320,939	1,216,095	(31,726)	184,318	55,225	2,308,899	4,053,750	42,201	4,095,951
Profit for the period	-	-	-	-	-	37,552	37,552	704	38,256
Other comprehensive (loss)/income	-	-	-	-	(6,516)	-	(6,516)	65	(6,451)
Total comprehensive (loss)/income for the period	-	-	-	-	(6,516)	37,552	31,036	769	31,805
Balance at 31 Mar 2017	320,939	1,216,095	(31,726)	184,318	48,709	2,346,451	4,084,786	42,970	4,127,756
Profit for the period	-	-	-	-	-	21,875	21,875	403	22,278
Other comprehensive (loss)/income	-	-	-	-	(2,331)	-	(2,331)	20	(2,311)
Total comprehensive (loss)/income for the period	-	-	-	-	(2,331)	21,875	19,544	423	19,967
Dividends paid for 2016	-	-	-	-	-	(57,416)	(57,416)	-	(57,416)
Change in interest in a subsidiary	-	-	-	-	(10,763)	-	(10,763)	53,349	42,586
Non-controlling interest for incorporation of subsidiaries	-	-	-	-	-	-	-	23	23
Balance at 30 Jun 2017	320,939	1,216,095	(31,726)	184,318	35,615	2,310,910	4,036,151	96,765	4,132,916

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 Owners of the Company ----->						Total	Non-Controlling Interests	Total Equity
	Issued Capital	Share Premium	Treasury Shares	Other Paid-in Capital	Other Reserves	Retained Earnings			
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>			
Balance at 1 Jan 2016	320,939	1,216,095	(31,726)	184,318	63,486	1,956,742	3,709,854	39,544	3,749,398
Profit/(Loss) for the period	-	-	-	-	-	94,091	94,091	(491)	93,600
Other comprehensive income	-	-	-	-	2,926	-	2,926	35	2,961
Total comprehensive income/(loss) for the period	-	-	-	-	2,926	94,091	97,017	(456)	96,561
Balance at 31 Mar 2016	320,939	1,216,095	(31,726)	184,318	66,412	2,050,833	3,806,871	39,088	3,845,959
Profit for the period	-	-	-	-	-	39,522	39,522	4,053	43,575
Other comprehensive loss	-	-	-	-	(12,094)	-	(12,094)	(376)	(12,470)
Total comprehensive (loss)/income for the period	-	-	-	-	(12,094)	39,522	27,428	3,677	31,105
Dividends paid for 2015	-	-	-	-	-	(47,462)	(47,462)	-	(47,462)
Balance at 30 Jun 2016	320,939	1,216,095	(31,726)	184,318	54,318	2,042,893	3,786,837	42,765	3,829,602

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

<u>The Company</u>	<u>Issued Capital</u> US\$'000	<u>Share Premium</u> US\$'000	<u>Treasury Shares</u> US\$'000	<u>Option Reserve</u> US\$'000	<u>Retained Earnings</u> US\$'000	<u>Total</u> US\$'000
Balance as at 1 Jan 2017	320,939	1,850,965	(31,726)	31,471	171,302	2,342,951
Loss for the period, representing total comprehensive loss for the period	-	-	-	-	(8)	(8)
Balance as at 31 Mar 2017	320,939	1,850,965	(31,726)	31,471	171,294	2,342,943
Loss for the period, representing total comprehensive loss for the period	-	-	-	-	(161)	(161)
Dividends paid for 2016	-	-	-	-	(57,416)	(57,416)
Balance as at 30 Jun 2017	<u>320,939</u>	<u>1,850,965</u>	<u>(31,726)</u>	<u>31,471</u>	<u>113,717</u>	<u>2,285,366</u>
Balance as at 1 Jan 2016	320,939	1,850,965	(31,726)	31,471	218,159	2,389,808
Profit for the period, representing total comprehensive income for the period	-	-	-	-	640	640
Balance as at 31 Mar 2016	320,939	1,850,965	(31,726)	31,471	218,799	2,390,448
Profit for the period, representing total comprehensive income for the period	-	-	-	-	141	141
Dividends paid for 2015	-	-	-	-	(47,462)	(47,462)
Balance as at 30 Jun 2016	<u>320,939</u>	<u>1,850,965</u>	<u>(31,726)</u>	<u>31,471</u>	<u>171,478</u>	<u>2,343,127</u>

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

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

	As at	
	30 Jun 2017	30 Jun 2016
Number of treasury shares	102,792,400	102,792,400
Number of issued shares (excluding treasury shares)	12,734,756,156	12,734,756,156

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

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

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

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

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

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

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

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

Not applicable.

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

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

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

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

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

					The Group			
					1st Half 2017	1st Half 2016	2nd Qtr 2017	2nd Qtr 2016
Earnings per ordinary share for the period after deducting any provision for preference dividends:-								
(i) Based on weighted average number of ordinary shares					USD0.47cents	USD1.05cents	USD0.17cents	USD0.31cents
- Weighted average numbers of shares					12,734,756,156	12,734,756,156	12,734,756,156	12,734,756,156
(ii) On a fully diluted basis					Not applicable	Not applicable	Not applicable	Not applicable
- Weighted average numbers of shares					Not applicable	Not applicable	Not applicable	Not applicable

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

		The Group		The Company	
		As at 30 Jun 2017	As at 31 Dec 2016	As at 30 Jun 2017	As at 31 Dec 2016
Net asset value per ordinary share based on existing issued share capital of 12,734,756,156 shares		US\$0.32	US\$0.32	US\$0.18	US\$0.18

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

	1st Half 2017	1st Half 2016	Change
	<u>US\$'000</u>	<u>US\$'000</u>	<u>%</u>
Revenue by segment			
Plantations and palm oil mills	843,495	599,302	40.7
Palm and laurics	3,386,271	2,798,747	21.0
Oilseeds	354,155	347,219	2.0
Others	97,629	92,068	6.0
Inter-segment eliminations	(878,590)	(601,959)	46.0
Total Revenue	<u>3,802,960</u>	<u>3,235,377</u>	17.5
EBITDA by segment			
Plantations and palm oil mills	243,797	148,973	63.7
Palm and laurics	78,831	74,737	5.5
Oilseeds	4,464	2,816	58.5
Others	1,145	1,118	2.4
Inter-segment eliminations	31	120	(74.2)
Total EBITDA	<u>328,268</u>	<u>227,764</u>	44.1

Notes:

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

REVIEW OF PERFORMANCE FOR HALF YEAR ENDED 30 JUNE 2017

The Group recorded a 17.5% increase in revenue to US\$3,803.0 million and a 44.1% increase in EBITDA to US\$328.3 million for half year ended 30 June 2017 ("1H2017"), primarily contributed by higher average crude palm oil ("CPO") price and the recovery in palm production. The Group's net profit attributable to owners was lower at US\$59.4 million mainly due to recognition of deferred income tax assets in the previous corresponding period in 2016 ("1H2016").

PLANTATIONS AND PALM OIL MILLS

Revenue from our plantations and palm oil mills segment increased by 40.7% to US\$843.5 million primarily due to increases in production yield and average CPO price during the current period. The average international CPO price (FOB Belawan) for the current period was US\$702 per tonne as compared to US\$637 per tonne in 1H2016.

Fresh fruit bunch ("FFB") and total palm product output for the current period continued to improve and were higher at 4,695,000 (1H2016: 3,484,000) tonnes and 1,335,000 (1H2016: 1,009,000) tonnes, respectively as the impact of severe El Nino weather condition subsided.

In tandem with the increased productions and higher CPO prices, EBITDA from plantations and palm oil mills segment increased by 63.7% to US\$243.8 million in the current period.

PALM AND LAURICS

Revenue from our palm and laurics segment increased by 21.0% to US\$3,386.3 million in 1H2017 mainly due to higher sales volume and higher average net realised prices. Consequently, EBITDA from the palm and laurics segment was higher by 5.5% at US\$78.8 million in 1H2017.

OILSEEDS

Revenue from our oilseeds segment was marginally higher at US\$354.2 million in 1H2017 as compared to US\$347.2 million in 1H2016 while EBITDA was higher by 58.5% to US\$4.5 million in the current period. This was mainly due to improved margin in our oilseeds business.

FINANCIAL EXPENSES, NET

Net financial expenses comprised net interest expenses (after deducting interest income), amortisation of deferred loan charges and other finance charges. Net financial expenses increased from US\$52.2 million in 1H2016 to US\$57.0 million in the current period mainly attributable to higher interest rates on borrowings.

FOREIGN EXCHANGE GAIN

The Group recorded a lower net foreign exchange gain of US\$3.7 million in the current period as compared to US\$30.6 million in 1H2016. Higher net foreign exchange gain in 1H2016 was mainly due to translation gain on Indonesian Rupiah ("IDR") denominated monetary assets as IDR strengthened significantly against USD during the previous corresponding period, as well as fair value gain on forward foreign currency contracts entered to hedge the currency exposure of Malaysian Ringgit.

SHARE OF RESULTS OF JOINT VENTURES, NET

The Group's share of results of joint ventures was lower at US\$2.8 million in 1H2017 mainly due to lower contribution from our shipping operations during the current period.

OTHER OPERATING INCOME

Net other operating income comprised mainly changes in fair value of biological assets (agricultural produce) and financial assets, income from sales of seedlings and other materials, as well as rental income. Net other operating income decreased from US\$23.3 million in 1H2016 to US\$11.9 million mainly due to lower net gain from changes in fair value of biological assets and lower income from financial assets. The net gain from changes in fair value of biological assets for 1H2017 was US\$0.1 million as compared to US\$5.1 million in 1H2016 mainly due to lower market prices.

TAX

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

The Group recorded a net tax expense of US\$22.1 million in 1H2017 in view of the taxable profit recorded during the current period. The net tax credit of US\$110.8 million in 1H2016 was mainly due to recognition of deferred income tax assets as the Group revalued some of its plantation assets in Indonesia.

REVIEW OF FINANCIAL POSITION AS AT 30 JUNE 2017

ASSETS

Compared to the end of the previous year, the Group's total assets decreased from US\$8,306.4 million to US\$8,195.3 million as at 30 June 2017. The reduction was mainly attributable to decreases in trade receivables and bearer plants, partially offset by higher inventories and higher cash and cash equivalents in line with better operating results.

Trade receivables decreased by US\$124.2 million to US\$437.2 million mainly due to payment received during the current period, as well as timing of sales made.

Lower book value of bearer plants of US\$62.0 million was mainly due to depreciation expenses recorded for the current period.

LIABILITIES

Total liabilities of the Group decreased by US\$148.1 million to US\$4,062.4 million as at 30 June 2017. This was mainly attributable to lower total borrowings and trade payables following repayments made during the current period, partially offset by higher other long-term liabilities.

Other long-term liabilities increased by US\$66.3 million to US\$151.5 million mainly due to increase in post-employment benefit liabilities and higher other non-trade payables.

REVIEW OF CASH FLOWS FOR HALF YEAR ENDED 30 JUNE 2017

Net cash generated from operating activities (after payment of interest expenses) in 1H2017 was higher at US\$317.7 million as compared to cash outflow of US\$125.3 million in 1H2016. This was mainly due to improved operating profit and lower working capital requirements for the downstream operations during the current period.

Net cash used in investing activities of US\$94.8 million was mainly related to capital expenditures on our bearer plants and property, plant and equipment.

Net cash used in financing activities of US\$164.5 million was mainly related to payment for dividends and repayments of borrowings, net of proceeds from new drawdown.

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

Not applicable.

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

The Group's operating performance will continue to be affected by the prices of CPO and competing seed oils, fluctuating foreign currency exchange rates and weather conditions. Despite the increasing production output of the industry, we expect the CPO prices to remain supported by the increasing demand particularly the domestic consumption growth through the implementation of the biodiesel policy in Indonesia. The Group will continue to optimise margins through further streamlining of its vertically integrated operations, as well as to improve its yield and cost efficiency.

11. Dividend

(a) Current Financial Period Reported On

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

(b) Corresponding Period of the Immediately Preceding Financial Year

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

(c) Date payable

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 30 June 2017.

13. Interested persons transactions disclosure

Name of interested person	Aggregate value of all interested person transactions during the period under review (excluding transactions less than SGD100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than SGD100,000)
	2Q2017	2Q2017
	US\$	US\$
PT Asuransi Sinar Mas	Nil	2,382,667
PT Bank Sinarmas Tbk *	Nil	6,683,050
PT Cakrawala Mega Indah	Nil	9,960,568
PT Maritime Sinar Utama	Nil	997,442
PT Rolimex Kimia Nusamas	Nil	29,816,177
PT Roundhill Capital Indonesia	Nil	3,818,985
PT Royal Oriental	Nil	277,798
PT Sinar Jati Mitra	Nil	657,261
Total	Nil	54,593,948

Note:

* Principal amount as at 30 June 2017 is approximately US\$6.3 million.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

Not applicable.

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

Not applicable.

- 16. A breakdown of sales**

Not applicable.

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

Not applicable.

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

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

On behalf of the board of directors

Franky Oesman Widjaja
Director

Rafael Buhay Concepcion, Jr.
Director

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

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

BY ORDER OF THE BOARD

Rafael Buhay Concepcion, Jr.
Director
14 August 2017

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