

Asset Acquisitions and Disposals::Transfer of Property Units in Sinarmas MSIG Tower, Jakarta, Indonesia

Issuer & Securities

Issuer/ Manager	GOLDEN AGRI-RESOURCES LTD
Securities	GOLDEN AGRI-RESOURCES LTD - MU0117U00026 - E5H
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Announcement Details

Announcement Title	Asset Acquisitions and Disposals
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Announcement Sub Title	Transfer of Property Units in Sinarmas MSIG Tower, Jakarta, Indonesia
Announcement Reference	SG170911OTHRA31A
Submitted By (Co./ Ind. Name)	Kimberley Lye Chor Mei
Designation	Director, Corporate Secretarial
Description (Please provide a detailed description of the event in the box below)	Transfer of Property Units in Sinarmas MSIG Tower, Jakarta, Indonesia. Please refer to attached announcement dated 11 September 2017.
Attachments	GAR - IPTMSIG-final.pdf Total size =228K

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TRANSFER OF PROPERTY UNITS IN SINARMAS MSIG TOWER, JAKARTA, INDONESIA

Introduction

The Board of Directors (“Board”) of Golden Agri-Resources Ltd (the “Company” and together with its subsidiaries, the “Group”) wishes to announce that its wholly-owned subsidiary, PT Purimas Sasmita (“Transferor”), has entered into binding agreements with PT Duta Cakra Pesona (“Transferee”) where the Transferor has agreed to transfer all its rights and obligations in the property units of a total area of 36,874.49 square meters located on 23 floors of the office building at Jalan Jenderal Sudirman Kavling 21, Setiabudi Sub-district, South Jakarta, Indonesia (“Property Units”) known as Sinarmas MSIG Tower (“Office Tower”) (the “Transfer”), to the Transferee, for a total net cash consideration of IDR1,408,965,000,000 (equivalent to USD107,500,000) (“Total Consideration”).

Rationale and benefit for the Transfer

The Office Tower comprises 48 floors of office units with premium location in the main business district of Jakarta. Since the Group’s purchase of the Property Units from the developer in 2011, it has reorganised its business, and renewed plans for relocation of back room services to outside of the main business district, thus resulting in the rationale for the Transfer. After the Transfer, the Group will realise a net profit of approximately USD15,000,000.

Information on the Transfer

The Total Consideration was determined at arm’s length and on a willing-buyer willing-seller basis after taking into account an independent valuation report commissioned by the Transferor.

Information on the Transferee

The Transferee is a wholly-owned subsidiary of PT Bumi Serpong Damai Tbk (“BSDE”), which is listed on Indonesia Stock Exchange. Sinarmas Land Limited (“SML”), listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”), holds an effective interest of 48.41% in BSDE. The directors of the Transferee are Mr. Franciscus Xaverius Ridwan Darmali, Mr. Hongky Jeffry Nantung and Mr. Hermawan Wijaya.

Interested Person Transaction

The controlling shareholders of SML and their respective shareholding interests are as follows:

	Direct Interest	Deemed Interest	Total
Golden Moment Limited (“Golden Moment”)	5.67%	-	5.67%
Flambo International Limited (“Flambo”)	64.61%	5.67%	70.28%
The Widjaja Family Master Trust (2) (“WFMT2”)	-	70.28%	70.28%

Notes:

- (1) The deemed interest of Flambo arises from its interest in the shares held by its wholly-owned subsidiary, Golden Moment in SML.
- (2) The deemed interest of WFMT2 arises from its interest in the shares held by Flambo and the shares held by Golden Moment in SML.

Flambo and its wholly-owned subsidiary, Golden Moment are both controlling shareholders of the Company, and Flambo also has a direct interest of 64.61% and deemed interest of 5.67% in SML. As the Transferee, through SML, is an “associate” of Flambo under the Listing Manual of the SGX-ST (“Listing Manual”), the Transfer is an “interested person transaction” under Chapter 9 of the Listing Manual.

The value of the Transfer being USD107,500,000, represents approximately 2.76% of the Group’s net tangible asset of USD3,888,743,000, based on the latest audited consolidated financial statements of the Group for the financial year ended 31 December 2016 (“NTA”). The value of all transactions between the Group with the same interested person/Sinarmas group which are required to be aggregated under Chapter 9 during the current financial year ending 31 December 2017 (“FY2017”), amounted to USD15,000,000, which when aggregated with the value of the Transfer of USD107,500,000, exceeds 3%, ie, represents approximately 3.15% of the Group’s NTA, hence requiring an announcement of the Transfer under Chapter 9.

As at 30 June 2017, no interested person transactions were entered into with the Transferee for FY2017, the total value of all interested person transactions entered into with the SML group is approximately USD466,000, and the total value of all interested person transactions for FY2017 is approximately USD73,500,000.

Interests of Directors and Controlling Shareholders

None of the Directors or controlling shareholders of the Company have any interest, direct or indirect, in the Transfer, save as set out below:

- (a) Flambo and its wholly-owned subsidiary, Golden Moment, are both controlling shareholders of the Company. Flambo, through its direct and deemed interest of 70.28% in SML, has a deemed interest in the shares of the Transferee.
- (b) WFMT2 is a controlling shareholder of the Company. WFMT2, through its deemed interest of 70.28% in SML, has a deemed interest in the shares of the Transferee.

Statement from Audit Committee

The Audit Committee of the Company, having considered the Transfer including the independent valuation of the Property Units, rationale and benefit of the Transfer to the Group, and non-interested management representations, is of the view that the Transfer is on normal commercial terms, and is not prejudicial to the interests of the Company and its minority shareholders.

By Order of the Board
GOLDEN AGRI-RESOURCES LTD

Rafael Buhay Concepcion, Jr.
Director
11 September 2017

GOLDEN AGRI-RESOURCES LTD

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