

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::THIRD QUARTER RESULTS**Issuer & Securities****Issuer/ Manager**

GOLDEN AGRI-RESOURCES LTD

Securities

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Financial Statements and Related Announcement

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Designation

Director, Corporate Secretarial

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

Golden Agri-Resources Ltd has released its unaudited financial results for the third quarter ended 30 September 2019. Please refer to the following attachments in relation thereto:

- (1) Unaudited financial statements for the third quarter ended 30 September 2019;
- (2) Media Release; and
- (3) Interim Performance Presentation.

Additional Details**For Financial Period Ended**

30/09/2019

Attachments

[GAR32-14-11-2019-3Q2019%20Results.pdf](#)

[GAR32-14-11-2019-3Q2019%20Media%20Release.pdf](#)

[GAR32-14-11-2019-3Q2019%20Interim%20Performance%20PPT.pdf](#)

Total size = 1900K MB

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

	Ytd Sept 2019 US\$'000	Ytd Sept 2018 US\$'000	Change %	3rd Qtr 2019 US\$'000	3rd Qtr 2018 US\$'000	Change %
Revenue	4,729,616	5,514,911	(14.2)	1,563,084	1,838,680	(15.0)
Gross Profit	532,380	745,054	(28.5)	187,812	277,025	(32.2)
EBITDA ¹	304,729	370,105	(17.7)	106,795	132,169	(19.2)
Underlying (loss)/profit ²	(12,102)	79,421	n.m.	3,236	38,041	(91.5)
Underlying (loss)/profit per share (USD cents)	(0.10)	0.62	n.m.	0.03	0.30	(91.5)
Net (loss)/profit attributable to owners of the Company	(45,586)	(81,086)	(43.8)	801	(53,915)	n.m.

Notes:

- (1) Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, net gain/(loss) from changes in fair value of biological assets, foreign exchange gain/(loss) and exceptional item.
- (2) Net profit/(loss) attributable to owners of the Company excluding net effect of net gain or loss from changes in fair value of biological assets and depreciation of bearer plants, exceptional item 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 SEPTEMBER 2019**

	Ytd Sept 2019 US\$'000	Ytd Sept 2018 US\$'000	Change %	3rd Qtr 2019 US\$'000	3rd Qtr 2018 US\$'000	Change %
Revenue	4,729,616	5,514,911	(14.2)	1,563,084	1,838,680	(15.0)
Cost of sales	<u>(4,197,236)</u>	<u>(4,769,857)</u>	(12.0)	<u>(1,375,272)</u>	<u>(1,561,655)</u>	(11.9)
Gross Profit	<u>532,380</u>	<u>745,054</u>	(28.5)	<u>187,812</u>	<u>277,025</u>	(32.2)
Operating expenses						
Selling expenses	(263,845)	(395,781)	(33.3)	(90,605)	(137,110)	(33.9)
General and administrative expenses	<u>(234,430)</u>	<u>(237,989)</u>	(1.5)	<u>(84,227)</u>	<u>(88,597)</u>	(4.9)
Total operating expenses	<u>(498,275)</u>	<u>(633,770)</u>	(21.4)	<u>(174,832)</u>	<u>(225,707)</u>	(22.5)
Operating profit	<u>34,105</u>	<u>111,284</u>	(69.4)	<u>12,980</u>	<u>51,318</u>	(74.7)
Other income/(expenses)						
Financial income	14,877	28,058	(47.0)	4,076	9,300	(56.2)
Financial expenses	(124,079)	(121,132)	2.4	(42,220)	(43,803)	(3.6)
Share of results of associated companies, net of tax	3,420	991	245.1	323	571	(43.4)
Share of results of joint ventures, net of tax	(12,558)	(7,313)	71.7	(4,895)	1,797	n.m.
Foreign exchange gain/(loss)	23,913	(45,816)	n.m.	20,742	(28,676)	n.m.
Other operating income/(loss)	<u>37,536</u>	<u>9,680</u>	287.8	<u>22,519</u>	<u>(1,013)</u>	n.m.
	<u>(56,891)</u>	<u>(135,532)</u>	(58.0)	<u>545</u>	<u>(61,824)</u>	n.m.
Exceptional item						
Gain on disposal of subsidiaries	<u>11,492</u>	<u>-</u>	n.m.	<u>-</u>	<u>-</u>	-
(Loss)/Profit before tax	<u>(11,294)</u>	<u>(24,248)</u>	(53.4)	<u>13,525</u>	<u>(10,506)</u>	n.m.
Tax	<u>(18,038)</u>	<u>(52,942)</u>	(65.9)	<u>(7,535)</u>	<u>(42,361)</u>	(82.2)
(Loss)/Profit for the period	<u>(29,332)</u>	<u>(77,190)</u>	(62.0)	<u>5,990</u>	<u>(52,867)</u>	n.m.
Attributable to:						
Owners of the Company	(45,586)	(81,086)	(43.8)	801	(53,915)	n.m.
Non-controlling interests	<u>16,254</u>	<u>3,896</u>	317.2	<u>5,189</u>	<u>1,048</u>	395.1
	<u>(29,332)</u>	<u>(77,190)</u>	(62.0)	<u>5,990</u>	<u>(52,867)</u>	n.m.

Note:

(1) n.m. – not meaningful.

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

	Ytd Sept 2019 US\$'000	Ytd Sept 2018 US\$'000	3rd Qtr 2019 US\$'000	3rd Qtr 2018 US\$'000
(Loss)/Profit for the period	<u>(29,332)</u>	<u>(77,190)</u>	<u>5,990</u>	<u>(52,867)</u>
Other comprehensive income/(loss):				
<u>Items that will not be reclassified subsequently to profit or loss:</u>				
Actuarial (loss)/gain on post-employment benefits	(5,667)	6,000	40	-
Share of other comprehensive income/(loss) of a joint venture	1	(51)	-	(51)
Changes in fair value of financial assets at fair value through other comprehensive income	51,772	-	11,744	-
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Foreign currency translation differences on consolidation	(8,620)	(24,496)	(11,756)	(8,181)
Share of other comprehensive income/(loss) of:				
Joint ventures	40	(2,881)	(170)	(825)
Associates	(334)	(1,112)	(43)	(1,112)
Changes in fair value of available-for-sale financial assets	-	2,254	-	2,156
Other comprehensive income/(loss), net of tax	<u>37,192</u>	<u>(20,286)</u>	<u>(185)</u>	<u>(8,013)</u>
Total comprehensive income/(loss) for the period, net of tax	<u>7,860</u>	<u>(97,476)</u>	<u>5,805</u>	<u>(60,880)</u>
Total comprehensive (loss)/income attributable to:				
Owners of the Company	(7,113)	(99,397)	2,430	(60,987)
Non-controlling interests	14,973	1,921	3,375	107
	<u>7,860</u>	<u>(97,476)</u>	<u>5,805</u>	<u>(60,880)</u>

ADDITIONAL INFORMATION

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

	Ytd Sept 2019 US\$'000	Ytd Sept 2018 US\$'000	Change %	3rd Qtr 2019 US\$'000	3rd Qtr 2018 US\$'000	Change %
Earnings before tax, non- controlling interests, interest on borrowings, depreciation and amortisation, net gain/(loss) from changes in fair value of biological assets and foreign exchange gain/(loss) and exceptional item ("EBITDA")	304,729	370,105	(17.7)	106,795	132,169	(19.2)
Interest on borrowings	(122,608)	(118,770)	3.2	(41,527)	(42,684)	(2.7)
Depreciation and amortisation	(229,347)	(212,986)	7.7	(76,024)	(70,462)	7.9
Net gain/(loss) from changes in fair value of biological assets	527	(16,781)	n.m.	3,539	(853)	n.m.
Foreign exchange gain/(loss)	23,913	(45,816)	n.m.	20,742	(28,676)	n.m.
Exceptional item	11,492	-	n.m.	-	-	-
(Loss)/Profit before tax	<u>(11,294)</u>	<u>(24,248)</u>	<u>(53.4)</u>	<u>13,525</u>	<u>(10,506)</u>	<u>n.m.</u>

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

UNAUDITED STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	As at 30/9/2019 <u>US\$'000</u>	As at 31/12/2018 <u>US\$'000</u>	As at 30/9/2019 <u>US\$'000</u>	As at 31/12/2018 <u>US\$'000</u>
Assets				
Current Assets				
Cash and cash equivalents	142,874	192,766	62	88
Short-term investments	369,687	351,855	-	-
Trade receivables	416,768	533,692	-	-
Other current assets (note (a))	786,172	804,835	48	11
Inventories	950,241	1,002,350	-	-
	<u>2,665,742</u>	<u>2,885,498</u>	<u>110</u>	<u>99</u>
Non-Current Assets				
Long-term receivables and assets (note (b))	177,338	323,525	-	-
Long-term investments	1,291,007	1,077,772	198,030	175,065
Subsidiary companies	-	-	3,431,572	3,431,355
Associated companies	20,421	17,546	-	-
Joint ventures	185,461	88,723	-	-
Investment properties	104	112	-	-
Property, plant and equipment	2,646,425	2,624,108	-	-
Bearer plants	1,042,746	1,092,166	-	-
Right-of-use assets	31,081	-	-	-
Deferred tax assets	250,721	244,023	-	-
Intangible assets	185,641	192,107	-	-
	<u>5,830,945</u>	<u>5,660,082</u>	<u>3,629,602</u>	<u>3,606,420</u>
Total Assets	<u>8,496,687</u>	<u>8,545,580</u>	<u>3,629,712</u>	<u>3,606,519</u>

UNAUDITED STATEMENTS OF FINANCIAL POSITION (cont'd)

	Group		Company	
	As at 30/9/2019 <u>US\$'000</u>	As at 31/12/2018 <u>US\$'000</u>	As at 30/9/2019 <u>US\$'000</u>	As at 31/12/2018 <u>US\$'000</u>
Liabilities and Equity				
Current Liabilities				
Short-term borrowings	1,734,470	1,376,266	-	-
Bonds and notes payable	-	124,640	-	-
Lease liabilities	16,427	-	-	-
Trade payables	598,974	683,349	-	-
Other payables (note(c))	250,031	287,748	119,097	40,789
Taxes payable	10,162	18,899	-	-
	<u>2,610,064</u>	<u>2,490,902</u>	<u>119,097</u>	<u>40,789</u>
Non-Current Liabilities				
Bonds and notes payables	108,539	109,971	-	-
Long-term borrowings	1,253,257	1,399,212	-	-
Lease liabilities	16,022	-	-	-
Deferred tax liabilities	82,031	78,080	-	-
Long-term payables and liabilities	175,987	157,335	-	-
	<u>1,635,836</u>	<u>1,744,598</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>4,245,900</u>	<u>4,235,500</u>	<u>119,097</u>	<u>40,789</u>
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	(24,525)	(16,702)	-	-
Fair value reserve	158,460	106,688	1,640	1,640
PRC statutory reserve	3,820	3,820	-	-
Other reserve	29,688	35,315	-	-
	198,914	160,592	33,111	33,111
Retained earnings	<u>2,217,163</u>	<u>2,318,426</u>	<u>1,337,326</u>	<u>1,392,441</u>
	4,105,703	4,168,644	3,510,615	3,565,730
Non-Controlling Interests	<u>145,084</u>	<u>141,436</u>	<u>-</u>	<u>-</u>
Total Equity	<u>4,250,787</u>	<u>4,310,080</u>	<u>3,510,615</u>	<u>3,565,730</u>
Total Liabilities and Equity	<u>8,496,687</u>	<u>8,545,580</u>	<u>3,629,712</u>	<u>3,606,519</u>

UNAUDITED STATEMENTS OF FINANCIAL POSITION (cont'd)

Note:

(a) Other Current Assets

	Group		Company	
	As at 30/9/2019	As at 31/12/2018	As at 30/9/2019	As at 31/12/2018
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
Prepaid expenses	47,517	21,370	47	10
Prepaid taxes	183,649	117,481	-	-
Deposits and advances to suppliers	179,792	243,802	-	-
Biological assets	64,316	63,789	-	-
Derivative receivable	104,857	102,742	-	-
Others	182,282	152,546	1	1
	<u>762,413</u>	<u>701,730</u>	<u>48</u>	<u>11</u>
Receivable from joint ventures	23,650	68,230	-	-
Receivable from related parties	109	34,875	-	-
	<u>786,172</u>	<u>804,835</u>	<u>48</u>	<u>11</u>

(b) Long-Term Receivables and Assets

	Group		Company	
	As at 30/9/2019	As at 31/12/2018	As at 30/9/2019	As at 31/12/2018
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
Loan receivable from joint ventures and an associated company	27,279	80,793	-	-
Tax recoverable	94,668	204,729	-	-
Advances for plasma plantations, net	3,850	2,651	-	-
Advances for projects	26,566	12,290	-	-
Land clearing	3,331	1,894	-	-
Advances for investment in land	1,495	1,495	-	-
Others	20,149	19,673	-	-
	<u>177,338</u>	<u>323,525</u>	<u>-</u>	<u>-</u>

(c) Other Payables

	Group		Company	
	As at 30/9/2019	As at 31/12/2018	As at 30/9/2019	As at 31/12/2018
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
Advances and deposits	91,322	138,665	-	-
Accrued expenses	53,654	52,038	279	324
Payable to third parties	68,810	63,189	-	-
Others	30,716	30,251	7	7
	<u>244,502</u>	<u>284,143</u>	<u>286</u>	<u>331</u>
Payable to related parties	5,529	3,605	118,811	40,458
	<u>250,031</u>	<u>287,748</u>	<u>119,097</u>	<u>40,789</u>

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

	As at 30/9/2019 US\$'000			As at 31/12/2018 US\$'000		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Amount repayable in one year or less, or on demand	996,351	754,546	1,750,897	847,888	653,018	1,500,906
Amount repayable after one year	1,034,262	343,556	1,377,818	1,219,203	289,980	1,509,183
Total	2,030,613	1,098,102	3,128,715	2,067,091	942,998	3,010,089

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, property, plant and equipment and right-of-use assets.

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

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2019

	Ytd Sept 2019 US\$'000	Ytd Sept 2018 US\$'000	3rd Qtr 2019 US\$'000	3rd Qtr 2018 US\$'000
Cash flows from operating activities				
(Loss)/Profit before tax	(11,294)	(24,248)	13,525	(10,506)
Adjustments for:				
Depreciation	225,654	210,541	74,790	69,590
Amortisation	3,693	2,445	1,234	872
Net (gain)/loss from changes in fair value of biological assets	(527)	16,781	(3,539)	853
Unrealised foreign exchange (gain)/loss	(6,464)	7,174	(8,587)	1,756
Share of results of associated companies, net of tax	(3,420)	(991)	(323)	(571)
Share of results of joint ventures, net of tax	12,558	7,313	4,895	(1,797)
(Gain)/Loss on disposal of property, plant and equipment	(852)	594	(715)	177
Property, plant and equipment written off	732	746	262	247
Bearer plants written off	713	-	32	-
Inventories written off	375	439	13	-
(Write-back of)/Allowance for impairment loss on:				
Inventories, net	(2,608)	(5,044)	(1,210)	(1,399)
Other receivables, net	-	2,085	-	2,085
Trade receivables, net	(16)	(4)	(101)	(25)
(Gain)/Loss on disposal of subsidiaries	(11,492)	196	-	-
Changes in fair value of financial assets at fair value through profit or loss	(5,378)	1,743	(697)	4,389
Interest income	(14,877)	(28,058)	(4,076)	(9,300)
Interest expense	122,608	118,770	41,527	42,684
Operating cash flow before working capital changes	309,405	310,482	117,030	99,055
Changes in operating assets and liabilities:				
Trade receivables	82,902	42,015	84,545	145,182
Other current assets	12,137	(128,253)	39,253	56,705
Inventories	39,151	(101,527)	(27,679)	57,033
Net assets for disposal group held for sale	-	76,463	-	-
Trade payables	(38,879)	123,801	(51,192)	(70,712)
Other payables	(7,262)	(36,022)	(41,462)	(60,031)
Cash generated from operations	397,454	286,959	120,495	227,232

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2019 (cont'd)

	Ytd Sept 2019 US\$'000	Ytd Sept 2018 US\$'000	3rd Qtr 2019 US\$'000	3rd Qtr 2018 US\$'000
Cash generated from operations	397,454	286,959	120,495	227,232
Interest received	22,894	22,560	17,060	8,471
Interest paid	(127,462)	(119,762)	(46,962)	(48,662)
Tax refund/(paid)	11,866	(36,538)	4,605	4,158
Net cash generated from operating activities	304,752	153,219	95,198	191,199
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	12,074	5,034	3,764	322
Proceeds from disposal of bearer plants	511	739	228	135
Capital expenditure on property, plant and equipment	(186,291)	(150,105)	(74,615)	(48,592)
Capital expenditure on bearer plants	(20,360)	(23,985)	(6,823)	(5,858)
Investments in financial assets, net	(126,094)	(142,890)	(44,388)	(20,521)
Investment in an associated company	-	(1,164)	-	-
Cash inflow from non-controlling interest for incorporation of a subsidiary	-	136	-	15
(Investments in)/Proceeds from Plasma/KKPA Program plantations, net	(1,131)	2,299	(76)	2,940
Net cash inflow from disposal of a subsidiary	9	70,514	-	-
Dividends received from joint ventures	-	6,743	-	-
Payments for deferred expenditure and intangible assets	(15,054)	(18,470)	(5,848)	(6,568)
Net increase in long-term receivables and assets	(20,379)	(28,283)	(3,955)	(48,523)
Net cash used in investing activities	(356,715)	(279,432)	(131,713)	(126,650)
Cash flows from financing activities				
Proceeds from short-term borrowings	3,265,293	3,822,673	1,257,898	1,395,070
Proceeds from long-term borrowings	256,032	620,303	107,469	234,756
Payments of dividends	(65,745)	(11,537)	(11,487)	-
Capital subscribed by non-controlling shareholders	11	-	-	-
Payments of short-term borrowings	(2,918,735)	(3,744,790)	(1,112,563)	(1,465,408)
Payments of long-term borrowings	(388,918)	(381,211)	(50,930)	(140,760)
Payments of principal element of leases	(17,385)	-	(5,444)	-
Proceeds from notes issue	-	112,613	-	-
Payments of bonds and notes payable	(124,869)	(309,262)	(124,869)	(156,590)
Payments of deferred loan charges and bank loan administration costs	(3,613)	(5,422)	(1,111)	(2,117)
Decrease/(Increase) in cash in banks and time deposits pledged	18,982	(96)	3,120	18,490
Net cash generated from/(used in) financing activities	21,053	103,271	62,083	(116,559)
Net (decrease)/increase in cash and cash equivalents	(30,910)	(22,942)	25,568	(52,010)
Cash and cash equivalents at the beginning of the period	158,747	127,198	102,269	156,266
Cash and cash equivalents at the end of the period (See Note below)	127,837	104,256	127,837	104,256

Note:

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

	30/9/2019 US\$'000	30/9/2018 US\$'000
Time deposits, cash and bank balances	142,874	137,605
Less: Cash in banks and time deposits pledged	(15,037)	(33,349)
	<u>127,837</u>	<u>104,256</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 ----->							Non-Controlling Interests	Total Equity
	Issued Capital	Share Premium	Treasury Shares	Other Paid-in Capital	Other Reserves	Retained Earnings	Total		
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 31 Dec 2018	320,939	1,216,095	(31,726)	184,318	160,592	2,318,426	4,168,644	141,436	4,310,080
Effect of adoption of IFRS 16	-	-	-	-	-	(1,419)	(1,419)	-	(1,419)
Balance at 1 Jan 2019	320,939	1,216,095	(31,726)	184,318	160,592	2,317,007	4,167,225	141,436	4,308,661
(Loss)/Profit for the period	-	-	-	-	-	(46,387)	(46,387)	11,065	(35,322)
Other comprehensive income	-	-	-	-	36,844	-	36,844	533	37,377
Total comprehensive income/(loss) for the period	-	-	-	-	36,844	(46,387)	(9,543)	11,598	2,055
Dividends paid for 2018	-	-	-	-	-	(54,258)	(54,258)	-	(54,258)
Dividends payable to non-controlling shareholders	-	-	-	-	-	-	-	(11,487)	(11,487)
Change in interests in subsidiaries	-	-	-	-	(151)	-	(151)	151	-
Capital subscribed by non-controlling shareholders	-	-	-	-	-	-	-	11	11
Balance at 30 Jun 2019	320,939	1,216,095	(31,726)	184,318	197,285	2,216,362	4,103,273	141,709	4,244,982
Profit for the period	-	-	-	-	-	801	801	5,189	5,990
Other comprehensive income/(loss)	-	-	-	-	1,629	-	1,629	(1,814)	(185)
Total comprehensive income for the period	-	-	-	-	1,629	801	2,430	3,375	5,805
Balance at 30 Sep 2019	320,939	1,216,095	(31,726)	184,318	198,914	2,217,163	4,105,703	145,084	4,250,787

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 ----->							Non-Controlling Interests	Total Equity
	Issued Capital	Share Premium	Treasury Shares	Other Paid-in Capital	Other Reserves	Retained Earnings	Total		
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<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 2018 as previously announced	320,939	1,216,095	(31,726)	184,318	51,055	2,220,313	3,960,994	101,570	4,062,564
(Loss)/Profit for the period	-	-	-	-	-	(27,171)	(27,171)	2,848	(24,323)
Other comprehensive loss	-	-	-	-	(11,239)	-	(11,239)	(1,034)	(12,273)
Total comprehensive (loss)/income for the period	-	-	-	-	(11,239)	(27,171)	(38,410)	1,814	(36,596)
Dividends paid for 2017	-	-	-	-	-	(11,073)	(11,073)	-	(11,073)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	(464)	(464)
Non-controlling interest for incorporation of a subsidiary	-	-	-	-	-	-	-	121	121
Balance at 30 Jun 2018	320,939	1,216,095	(31,726)	184,318	39,816	2,182,069	3,911,511	103,041	4,014,552
(Loss)/Profit for the period	-	-	-	-	-	(53,915)	(53,915)	1,048	(52,867)
Other comprehensive loss	-	-	-	-	(7,072)	-	(7,072)	(941)	(8,013)
Total comprehensive (loss)/income for the period	-	-	-	-	(7,072)	(53,915)	(60,987)	107	(60,880)
Non-controlling interest for incorporation of a subsidiary	-	-	-	-	-	-	-	15	15
Balance at 30 Sep 2018	320,939	1,216,095	(31,726)	184,318	32,744	2,128,154	3,850,524	103,163	3,953,687

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 US\$'000	Share Premium US\$'000	Treasury Shares US\$'000	Option Reserve US\$'000	Retained Earnings US\$'000	Total US\$'000
Balance at 1 Jan 2019	320,939	1,850,965	(31,726)	33,111	1,392,441	3,565,730
Loss for the period, representing total comprehensive loss for the period	-	-	-	-	(589)	(589)
Dividends paid for 2018	-	-	-	-	(54,258)	(54,258)
Balance at 30 Jun 2019	320,939	1,850,965	(31,726)	33,111	1,337,594	3,510,883
Loss for the period, representing total comprehensive loss for the period	-	-	-	-	(268)	(268)
Balance at 30 Sep 2019	320,939	1,850,965	(31,726)	33,111	1,337,326	3,510,615
Balance at 1 Jan 2018 as previously announced	320,939	1,850,965	(31,726)	31,471	48,203	2,219,852
Loss for the period, representing total comprehensive loss for the period	-	-	-	-	(642)	(642)
Dividends paid for 2017	-	-	-	-	(11,073)	(11,073)
Balance at 30 Jun 2018	320,939	1,850,965	(31,726)	31,471	36,488	2,208,137
Profit for the period, representing total comprehensive income for the period	-	-	-	-	1,356,204	1,356,204
Balance at 30 Sep 2018	320,939	1,850,965	(31,726)	31,471	1,392,692	3,564,341

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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 Sep 2019	30 Sep 2018
Number/Percentage of treasury shares	102,792,400 / 0.8%	102,792,400 / 0.8%
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 2018.

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

The total number of issued shares excluding treasury shares as at 30 September 2019 and 31 December 2018 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 2018.

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 2018.

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 2018. Except as disclosed below, the adoption of the new and revised IFRSs has had no material financial impact on the Group's financial statements.

IFRS 16, *Leases* sets out a revised framework for the recognition, measurement, presentation and disclosure of leases, and replaces existing lease accounting guidance. IFRS 16 requires lessees to recognise right-of-use assets and lease liabilities for all leases with a term of more than 12 months, except where the underlying asset is of low value. The right-of-use asset is depreciated and interest expense is recognised on the lease liability. The accounting requirements for lessors have not been changed substantially, and continue to be based on classification as operating and finance leases. Disclosure requirements have been enhanced for both lessors and lessees.

The Group plans to adopt IFRS 16 on 1 January 2019 based on a permitted transition approach that does not restate comparative information, but recognises the cumulative effect of initially applying SFRS(I) 16 as an adjustment to the opening balance of retained earnings on 1 January 2019. The Group also plans to adopt an expedient offered by IFRS 16, exempting the Group from having to reassess whether pre-existing contracts contain a lease.

The Group has entered into leasing arrangements with lessors for rental of office premises and properties as lessee. Prior to adoption of IFRS 16, the Group recognised these arrangement as operating leases and payments made under operating leases are recognised in the income statement on a straight-line basis over the period of the lease. Upon adoption of IFRS 16, the Group recognised the right-of-use assets and lease liabilities. The nature of expenses related to those leases will change as IFRS 16 replaces the straight-line operating lease expense with depreciation charge for right-of-use assets and interest expenses on lease liabilities. The Group does not restate the comparative information for the effect of adopting IFRS 16 due to the exemption in IFRS 16 but has instead recognised the effect in retained earnings and other reserves as at 1 January 2019.

The following reconciliations summaries the impacts of transition to IFRS 16 on the Group's financial statements.

Consolidated statement of financial position as at 31 December 2018 and 1 January 2019

	At 31 Dec 2018	Effect of	At 1 Jan 2019
	<u>US\$'000</u>	<u>IFRS 16</u>	<u>US\$'000</u>
		<u>US\$'000</u>	
Right-of-use assets	-	46,685	46,685
Lease liabilities:			
Current	-	(21,228)	(21,228)
Non-current	-	(26,876)	(26,876)
Retained earnings	2,318,426	(1,419)	2,317,007

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			
	Ytd Sept 2019	Ytd Sept 2018	3rd Qtr 2019	3rd Qtr 2018
Earnings/(Loss) per ordinary share for the period after deducting any provision for preference dividends:-				
(i) Based on weighted average number of ordinary shares	(USD0.36cents)	(USD0.64cents)	USD0.01cents	(USD0.42cents)
- Weighted average number 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 number 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 Sep 2019	As at 31 Dec 2018	As at 30 Sep 2019	As at 31 Dec 2018
Net asset value per ordinary share based on existing issued share capital of 12,734,756,156 shares	US\$0.32	US\$0.33	US\$0.28	US\$0.28

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

	Ytd Sept 2019 US\$'000	Ytd Sept 2018 US\$'000	Change %
Revenue by segment			
Plantations and palm oil mills	929,557	1,100,351	(15.5)
Palm, laurics and others	4,698,448	5,468,929	(14.1)
Inter-segment eliminations	(898,389)	(1,054,369)	(14.8)
Total Revenue	4,729,616	5,514,911	(14.2)
EBITDA by segment			
Plantations and palm oil mills	166,828	305,018	(45.3)
Palm, laurics and others	138,339	64,123	115.7
Inter-segment eliminations	(438)	964	n.m.
Total EBITDA	304,729	370,105	(17.7)

Notes:

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

REVIEW OF PERFORMANCE FOR NINE MONTHS ENDED 30 SEPTEMBER 2019

The Group's revenue was lower at US\$4,729.6 million for the nine months ended 30 September 2019 ("9M2019") with EBITDA lower at US\$304.7 million. The operating performance of the Group was affected mainly by decreasing crude palm oil ("CPO") prices, partially offset by better performance of our palm, laurics and others segment during the current period.

PLANTATIONS AND PALM OIL MILLS

Revenue from our plantation and palm oil mills segment decreased by 15.5% to US\$929.6 million in 9M2019. This was mainly attributable to lower CPO prices during the current period, partially offset by the higher sales volume due to sell-down of inventory. The average international CPO (FOB Belawan) price for the current period was 17.7% lower at US\$494 per tonne as compared to US\$600 per tonne in 9M2018. Our fresh fruit bunch ("FFB") yield per hectare continued to improve on quarter-to-quarter basis. However, total FFB and palm product output for 9M2019 decreased to 7,233,000 tonnes and 2,125,000 tonnes respectively as compared to 7,731,000 tonnes and 2,235,000 tonnes respectively in the previous corresponding period ("9M2018"), primarily affected by the tree's biological cycle after a bumper crop in 2018. Consequently, EBITDA from our plantations and palm oil mills segment decreased to US\$166.8 million in 9M2019.

PALM, LAURICS AND OTHERS

Our palm, laurics and others segment refers to all processing and merchandising of palm and oilseeds product, biodiesel, oleo-chemicals and other vegetable oils, as well as production and distribution of other consumer products in China and Indonesia. Revenue from this segment was lower by 14.1% to US\$4,698.4 million in 9M2019. This was mainly attributable to softer CPO prices and lower sales volume for oilseeds in China, which was offset by the strong demand for biodiesel in Indonesia. Despite lower prices, EBITDA increased from US\$64.1 million in 9M2018 to US\$138.3 million in the current period with better EBITDA margin mainly due to additional contribution from biodiesel and the removal of export levy in Indonesia in the last quarter of 2018.

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\$93.1 million in 9M2018 to US\$109.2 million in the current period mainly due to lower interest income which is in line with lower average total time deposits in the current period.

FOREIGN EXCHANGE GAIN/(LOSS), NET

The Group recorded a net foreign exchange gain of US\$23.9 million in the current period as compared to net loss of US\$45.8 million in 9M2018. This was mainly attributable to the translation gain on net monetary assets as Indonesian Rupiah strengthened against USD during the current period, and fair value gain on forward foreign currency contracts entered to hedge the currency exposure.

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 increased by US\$27.9 million to US\$37.5 million in the current period mainly due to gain from changes in fair value of biological assets of US\$0.5 million recorded in 9M2019 as compared to loss of US\$16.8 million in 9M2018.

EXCEPTIONAL ITEM

Exceptional item in the current period related to gain on disposal of certain subsidiaries in Indonesia.

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. Net tax expense decreased by 65.9% to US\$18.0 million in 9M2019 mainly in line with lower taxable income recorded for the current period.

NON-CONTROLLING INTERESTS

Non-controlling shareholders' share of profit increased from US\$3.9 million to US\$16.3 million in 9M2019. This increase was mainly attributable to higher profit recorded in certain subsidiaries.

REVIEW OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2019

The Group adopted IFRS 16, *Leases*, requiring lessees to recognise right-of-use assets and lease liabilities for all leases with effect from 1 January 2019. The cumulative effect of initial application has been adjusted against the opening balance of retained earnings on 1 January 2019 based on the permitted transition approach. Details and impact of adjustment are disclosed in Note 5 above.

ASSETS

The Group's total assets were marginally lower at US\$8,496.7 million as at 30 September 2019 as compared to US\$8,545.6 million as at end 2018.

Total current assets decreased by US\$219.8 million as at 30 September 2019 mainly due to lower trade receivables, inventory and cash and cash equivalents.

Trade receivables decreased by US\$116.9 million mainly in line with the lower revenue recorded during the current period.

Total non-current assets increased by US\$170.9 million as at 30 September 2019 mainly due to recognition of right-of-use assets and additional investments in logistics and technology related-investments, partially offset with lower tax recoverable.

LIABILITIES

Total liabilities of the Group increased marginally to US\$4,245.9 million as at 30 September 2019. This was mainly attributable to recognition of lease liabilities and higher borrowings, partially offset with lower trade payables.

REVIEW OF CASH FLOWS FOR NINE MONTHS ENDED 30 SEPTEMBER 2019

The Group recorded higher net cash inflow for its operating activities (after payment of taxes and interest expenses) at US\$304.8 million in 9M2019, mainly due to lower working capital requirement for our downstream activities.

Net cash used in investing activities of US\$356.7 million was mainly related to capital expenditures on our property, plant and equipment, and additional investments during the current period.

Net cash generated from financing activities of US\$21.1 million was mainly due to net proceeds from new loans drawdown, net of dividends payment during the current 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 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

Weather conditions, supply and demand for CPO and other competing seed oils, and developments in government policy of the countries we operate in or trade with will continue to have an impact on the prices for commodities including CPO. CPO prices are expected to be range-bound. We expect production growth to slow down given the age profile of the industry and cyclical nature of fruit production, while the demand growth for CPO is estimated to remain stable underpinned by global food and energy demand, particularly the increase in biodiesel consumption in Indonesia. The Group will continue to enhance its integrated operation capabilities in an efficient and innovative way, so as to optimise profit opportunities across the value chain, as well as to improve its yield, cost efficiency and sustainability initiative.

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 third quarter ended 30 September 2019 as the Company generally reviews its dividend distribution during the second half of the financial year.

13. Interested persons transactions disclosure

Name of interested person	Aggregate value of all interested person transactions during the year under review (excluding transactions less than S\$100,000 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 S\$100,000)
	3Q2019	3Q2019
	US\$	US\$
PT Asuransi Sinar Mas	Nil	3,597,775
PT Bank Sinarmas Tbk	Nil	3,646,385*
PT Cakrawala Mega Indah	Nil	3,637,364
PT Indah Kiat Pulp & Paper Tbk	Nil	332,707
PT Pindo Deli Pulp and Paper Mills	Nil	115,856
PT Rolimex Kimia Nusamas	Nil	3,633,449
PT Roundhill Capital Indonesia	Nil	4,895,694
PT Royal Oriental	Nil	1,550,222
Total	Nil	21,409,452

Note:

* Principal amount of placements as at 30 September 2019 is approximately US\$4.42 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 third quarter and nine months ended 30 September 2019 unaudited financial results to be false or misleading.

On behalf of the board of directors

Franky Oesman Widjaja
Director

Rafael Buhay Concepcion, Jr.
Director

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

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

BY ORDER OF THE BOARD

Rafael Buhay Concepcion, Jr.
Director
14 November 2019

Submitted by Kimberley Lye Chor Mei, Director, Corporate Secretarial on 14 November 2019 to the SGX