

## Golden Agri-Resources delivers a robust performance in the first half of 2022 amidst industry volatility

- EBITDA<sup>1</sup> for the first half of 2022 grew to US\$807 million, whilst net profit more than doubled to US\$390 million
- Well sustained margins achieved across upstream and downstream business segments
- The Board declares interim dividend of 0.800 Singapore cents per share

### FINANCIAL HIGHLIGHTS

US\$' million	First half ended		Change
	30 June 2022 (1H 2022)	30 June 2021 (1H 2021)	
Revenue	5,490	4,454	23%
Gross Profit	1,369	1,061	29%
<b>EBITDA<sup>1</sup></b>	<b>807</b>	<b>523</b>	<b>54%</b>
<b>Underlying Profit<sup>2</sup></b>	<b>407</b>	<b>246</b>	<b>65%</b>
Foreign Exchange Gain/(Loss) <sup>3</sup>	41	-8	n.m
Deferred Tax Income/(Expense) <sup>3</sup>	1	-27	n.m
<b>Net Profit<sup>4</sup></b>	<b>390</b>	<b>153</b>	<b>154%</b>

<sup>1</sup> Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, net gain or loss from changes in fair value of biological assets, foreign exchange gain or loss, and exceptional items

<sup>2</sup> Net profit attributable to owners of the Company, excluding net effect of net gain or loss from changes in fair value of biological assets, depreciation of bearer plants, foreign exchange gain or loss, and deferred tax income or expense

<sup>3</sup> Net of tax and/or non-controlling interests

<sup>4</sup> Attributable to owners of the Company

**Singapore, 12 August 2022** – Golden Agri-Resources Ltd ("GAR" or the "Company") continued to perform robustly during the first semester of 2022, delivering a strong set of results amidst increased volatility in the industry. EBITDA reached US\$807 million, a 54 percent increase year on year. Underlying profit and net profit were also strong at US\$407 million and US\$390 million, respectively.

This performance was achieved on the back of a 23 percent year-on-year increase in revenue to almost US\$5.5 billion, mainly attributable to the continued appreciation of CPO market prices. Upstream and downstream businesses contributed to the excellent results in the first half of 2022.

On the results, **Mr Franky O. Widjaja, GAR Chairman and Chief Executive Officer**, commented: "The Board is satisfied with GAR's performance in the first six months of 2022. Our integrated business model has helped GAR to weather the industry volatility during the period. In addition, with our broad product portfolio, strategic logistics assets and capability, and a large pool of destination customers, GAR has effectively distributed products worldwide.

With its confidence towards the Company's performance, the Board declares the distribution of an interim dividend of 0.800 Singapore cents per share."

Mr Widjaja added: "Solid fundamentals of global vegetable oil supply and demand persist. Weather conditions in some oilseed-producing countries are recovering. However, palm oil has experienced slow production growth, while global demand, on the other hand, continues to be strong."

## **SEGMENTAL PERFORMANCE**

### Plantations and palm oil mills

As of 30 June 2022, GAR's planted area stood at 538 thousand hectares, of which 21 percent is owned by plasma smallholders. From 508 thousand hectares of its mature area, fruit harvested during the first half of 2022 totalled 4.8 million tonnes, a year-on-year decline of eight percent as affected by a shift in production seasonality. Palm product output declined accordingly to 1.5 million tonnes during the period.

CPO price appreciation offset lower plantation output, with upstream EBITDA reaching US\$520 million for the first half. EBITDA margin expanded to 42 percent from 35 percent in the same period last year.

### Palm, laurics and others

The downstream business primarily consists of the processing and merchandising of palm and oilseed-based products comprising bulk and branded products, oleo-chemicals and other vegetable oils, as well as production and distribution of other consumer products.

The palm, laurics and others segment generated around US\$5.5 billion in revenue during the first half of 2022, 23 percent higher than last year. The increase primarily came from higher average selling prices, compensating for the decrease in sales volume due to the temporary export ban implemented in May 2022. As a result, the segmental EBITDA grew 82 percent to US\$288 million, achieving a record first half for this business. In addition, through optimal utilisation of our integrated business model, downstream delivered a higher margin of 5.3 percent from 3.6 percent last year.

The latest measures taken by the Indonesian Government in July 2022 have encouraged the export of palm oil products to reduce Indonesian stock levels. GAR supports the government's policy in safeguarding the country's domestic requirement of cooking oil.

~ end ~

### **About Golden Agri-Resources Ltd (GAR)**

GAR is a leading palm oil plantation company in Indonesia with a total planted area of 537,720 hectares (including plasma smallholders) as of 30 June 2022. It has integrated operations focused on the technology-driven production and distribution of an extensive portfolio of palm-based products.

Founded in 1996, GAR was listed on the Singapore Exchange in 1999 and has a market capitalisation of US\$2.3 billion as of 30 June 2022. Flambo International Limited, an investment company, is GAR's largest shareholder, with a 50.56 percent stake. In addition, GAR has several subsidiaries, including PT SMART Tbk, which was listed on the Indonesia Stock Exchange in 1992.

As an integrated agribusiness, GAR delivers an efficient end-to-end supply chain, from responsible production to global delivery. In Indonesia, its primary activities include cultivating and harvesting oil palm trees; the processing of fresh fruit bunch into crude palm oil (CPO) and palm kernel; refining CPO into value-added products such as cooking oil, margarine, shortening, biodiesel and oleo-chemicals; as well as merchandising palm products globally. GAR's products are delivered to a diversified customer base in approximately 100 countries through its global distribution network with shipping and logistics capabilities, destination marketing, on-shore refining and ex-tank operations. GAR also has complementary businesses such as soybean-based products in China, sunflower-based products in India, and sugar businesses.

For media enquiries, please contact:

*Wulan Suling*

*Mobile: +62 818 909 900*

*Email: [wulan.suling@sinarmas-agri.com](mailto:wulan.suling@sinarmas-agri.com)*