

**Golden Agri-Resources Ltd.**  
**Full Year 2023 Performance**

28 February 2024

---

## Disclaimer



This presentation has been prepared by Golden Agri-Resources Ltd. ("GAR" or "Company") for informational purposes, and may contain projections and forward looking statements that reflect the Company's current views with respect to future events and financial performance. These views are based on current assumptions which are subject to various risks and which may change over time. No assurance can be given that future events will occur, that projections will be achieved, or that the Company's assumptions are correct. Actual results may differ materially from those projected. A prospective investor must make its own independent decision regarding investment in securities.

Opinions expressed herein reflect the judgement of the Company as of the date of this presentation and may be subject to change without notice if the Company becomes aware of any information, whether specific to the Company, its business, or in general, which may have a material impact on any such opinions.

The information is current only as of its date and shall not, under any circumstances, create any implication that the information contained therein is correct as of any time subsequent to the date thereof or that there has been no change in the financial condition or affairs of GAR since such date. This presentation may be updated from time to time and there is no undertaking by GAR to post any such amendments or supplements on this presentation.

The Company will not be responsible for any consequences resulting from the use of this presentation as well as the reliance upon any opinion or statement contained herein or for any omission.

## Executive Summary



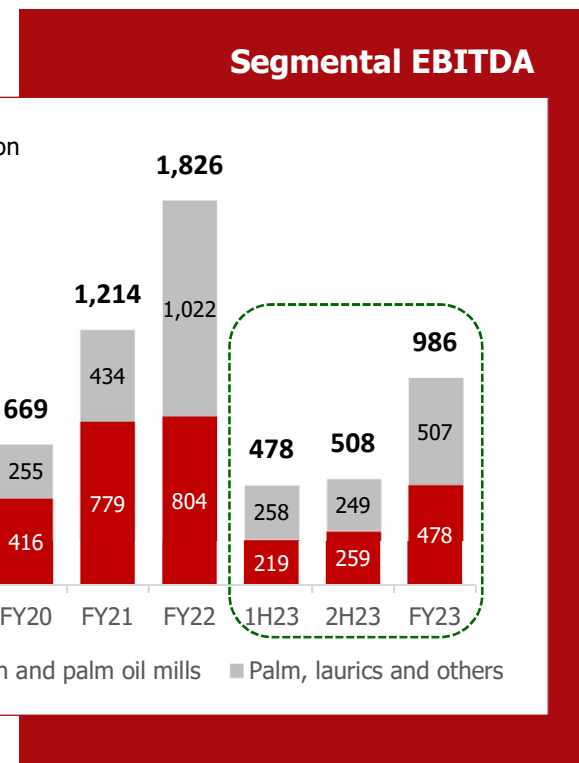
**Robust full year 2023 financial results. Year-on-year decline was in line with CPO price normalisation.**



- Average CPO FOB price declined by 28% to US\$901 per MT (Average price in 2022 was US\$1,248 per MT)
- Palm product output decreased by 4% due to replanting activity and heavy rainfall experienced in the first semester
- Healthy EBITDA margins of 23.8% for upstream and 5.3% for downstream

**Notes:**

1. Net profit attributable to owners of the Company, excluding net effect of net loss from changes in fair value of biological assets, depreciation of bearer plants, foreign exchange loss, and deferred tax expense





## Financial Highlights



### Robust financial performance for FY 2023 despite impact from CPO price normalisation and lower production during the year

US\$ million	FY 2023	FY 2022	YoY	2H 2023	1H 2023	HoH
Revenue	9,756	11,439	-15%	4,880	4,876	0.1%
Gross Profit	1,851	3,026	-39%	969	882	10%
EBITDA <sup>1</sup>	986	1,826	-46%	508	478	6%
Underlying Profit <sup>2</sup>	328	922	-64%	108	220	-51%
<i>Net gain/(loss) from changes in fair value of biological assets<sup>3</sup></i>	-5	-13	-63%	-10	5	n.m
<i>Depreciation of bearer plants<sup>3</sup></i>	-117	-108	8%	-60	-57	5%
<i>Foreign exchange gain/(loss)<sup>3</sup></i>	-2	12	n.m	-22	20	n.m
<i>Deferred tax expense<sup>3</sup></i>	-6	-30	-79%	-1	-5	-72%
<i>Exceptional items<sup>3</sup></i>	-	-0.3	n.m	-	-	-
Net profit attributable to owners of the Company	198	782	-75%	15	182	-92%

Stronger EBITDA in the second half compared to first half 2023. Lower net profit impacted by non-recurring expense related to internal streamlining of company structure.

**Notes:**

- EBITDA includes net fair value loss on financial assets in accordance with IFRS 9 of US\$13 million, US\$205 million, US\$10 million and US\$2 million in FY 2023, FY 2022, 2H 2023 and 1H 2023, respectively
- Net profit attributable to owners of the Company, excluding net effect of net gain/loss from changes in fair value of biological assets, depreciation of bearer plants, exceptional items, foreign exchange gain/loss, and deferred tax expense
- Net of tax and/or non-controlling interests

### Financial position continued to be healthy supported by prudent financial management

US\$ million	31-Dec-23	31-Dec-22	Change
Total Assets	9,716	9,902	-2%
<i>Cash and short-term investments</i>	<i>1,135</i>	<i>1,145</i>	<i>-1%</i>
<i>Fixed assets<sup>1</sup></i>	<i>3,817</i>	<i>3,820</i>	<i>-0.1%</i>
Total Liabilities	4,537	4,648	-2%
Net Debt <sup>2</sup>	391	142	175%
<i>Interest bearing debt</i>	<i>3,065</i>	<i>2,984</i>	<i>3%</i>
<i>Cash, short-term investments and liquid working capital<sup>3</sup></i>	<i>2,674</i>	<i>2,841</i>	<i>-6%</i>
Total Equity	5,180	5,254	-1%
Current Ratio	1.42x	1.30x	
Debt/Total Equity	0.59x	0.57x	
Net Debt <sup>2</sup> /EBITDA	0.40x	0.08x	
EBITDA/Interest	4.47x	10.01x	

Notes:

1. Includes Property, Plant and Equipment, Bearer Plants, Right-of-use Assets and Investment Properties
2. Interest bearing debt less cash, short-term investments and liquid working capital
3. Liquid working capital consists of trade receivables, inventories (excluding consumables), deposits and advances to suppliers less trade payables and advances from customers

## Dividend Distribution for FY 2023 Profit



**The Board declares final dividend of 0.613 Singapore cents per share, subject to shareholders' approval at the 2024 Annual Meeting**

Cash Dividend	FY 2023	FY 2022
Dividend per share (in S\$ cents)	0.613	1.791
Total Dividend (in S\$ million)	77.74	227.13
Underlying Profit <sup>1</sup> (in US\$ million)	327.55	921.91
<i>% to Underlying Profit</i>	<i>18%</i>	<i>18%</i>

- The proposed dividend is in line with the Company's dividend policy, which is to distribute up to 30% of underlying profit
- The final dividend is proposed with careful consideration of rewarding shareholders whilst maintaining strong balance sheet ahead of anticipated global challenges

Note:

1. Net profit attributable to owners of the Company, excluding net effect of net gain/loss from changes in fair value of biological assets, depreciation of bearer plants, exceptional items, foreign exchange gain/loss, and deferred tax expense



## Segmental Performance





## Segmental Results

### Plantations and Palm Oil Mills



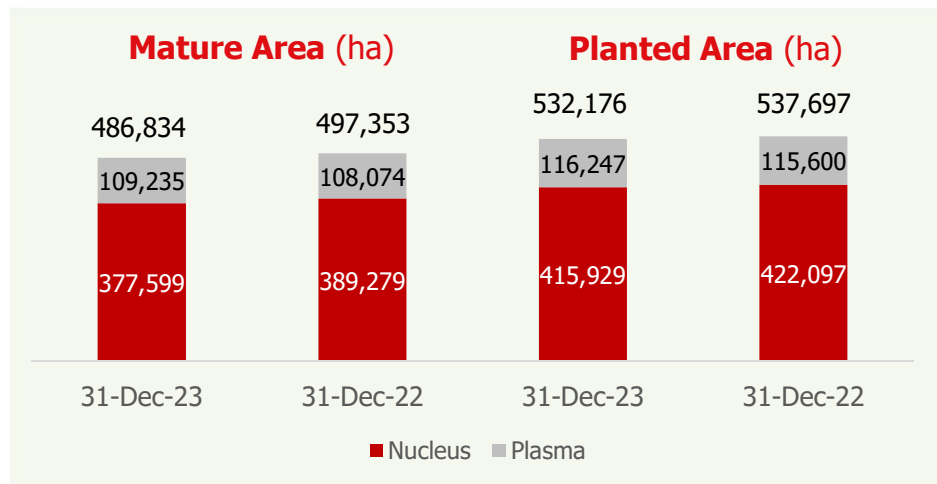
	FY 2023	FY 2022	YoY	2H 2023	1H 2023	HoH
Revenue (US\$ million)	2,007	2,268	-12%	1,090	917	19%
EBITDA (US\$ million)	478	804	-41%	259	219	19%
<i>EBITDA margin</i>	<i>23.8%</i>	<i>35.5%</i>	<i>-11.7%</i>	<i>23.8%</i>	<i>23.9%</i>	<i>-0.1%</i>
CPO FOB Market Price (US\$/MT)	901	1,248	-28%	854	949	-10%
<i>Net of export levy and tax (US\$/MT)</i>	<i>767</i>	<i>969</i>	<i>-21%</i>	<i>746</i>	<i>789</i>	<i>-5%</i>
FFB Production ('000 tonnes)	9,589	10,101	-5%	5,157	4,432	16%
Nucleus	7,464	7,812	-4%	4,028	3,436	17%
Plasma	2,125	2,289	-7%	1,129	996	13%
FFB Yield (tonnes/ha)	19.7	20.3	-3%	10.6	8.9	20%
Palm Product Output ('000 tonnes)	2,938	3,060	-4%	1,609	1,329	21%
CPO	2,329	2,428	-4%	1,274	1,055	21%
PK	609	632	-4%	335	274	22%
Oil Extraction Rate	21.2%	21.0%	0.2%	21.4%	20.9%	0.5%
Kernel Extraction Rate	5.5%	5.5%	-	5.6%	5.4%	0.2%
Palm Product Yield (tonnes/ha)	5.3	5.4	-2%	2.9	2.3	22%

Second half 2023 results increased with higher palm product output and lower fertiliser cost offsetting CPO price decline

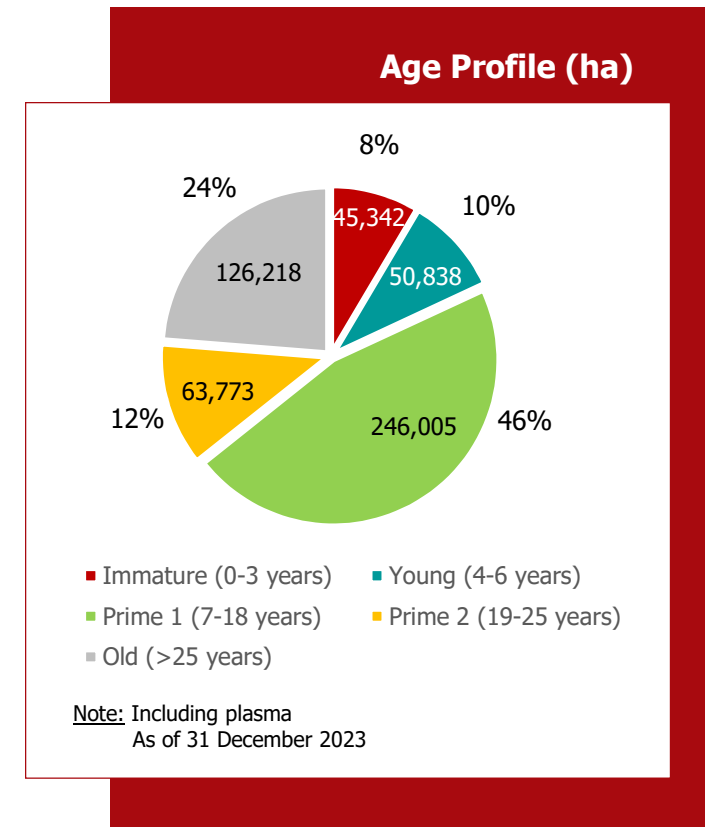
Note: EBITDA includes allocated net fair value loss on financial assets (IFRS 9) of US\$11 million, US\$48 million, US\$10 million and US\$0.7 million in FY 2023, FY 2022, 2H 2023 and 1H 2023, respectively

## Oil Palm Plantations

### Technological innovation and replanting with higher yielding seeds ensure long-term productivity growth



- Immature and young estates use next-generation, higher-yielding seeds for continued long-term production growth
- Replanting activity during 2023 achieved 14,200 ha
- Almost half of planted area is between 7 to 18 years old, while average age sustained at 16 years



## Segmental Results

### Palm, Laurics and Others



### Downstream business continued to contribute strongly to consolidated EBITDA

	FY 2023	FY 2022	YoY	2H 2023	1H 2023	HoH
Revenue (US\$ million)	9,643	11,366	-15%	4,809	4,834	-1%
Sales Volume ('000 tonnes)	10,871	9,698	12%	5,723	5,148	11%
EBITDA (US\$ million)	507	1,022	-50%	249	258	-4%
<i>EBITDA margin</i>	<i>5.3%</i>	<i>9.0%</i>	<i>-3.7%</i>	<i>5.2%</i>	<i>5.3%</i>	<i>-0.1%</i>

- Sales volume in FY 2023 increased strongly while CPO price declined, impacting full year results
- Resilient EBITDA margin of 5.3%, resulting from enhancement of our integrated business model and focus on pursuing higher value-added downstream products

#### Notes:

1. This segment refers to processing and global merchandising of palm and oilseed-based products comprising bulk and branded products, oleochemicals, sugar and other vegetable oils
2. EBITDA includes allocated net fair value loss on financial assets (IFRS 9) of US\$2.0 million, US\$158 million, US\$0.3 million and US\$1.6 million in FY 2023, FY 2022, 2H 2023 and 1H 2023, respectively



## Strategy and Outlook



## Business Strategy and Outlook



### Strategic Focus

Fortifying our position as an **innovative and leading integrated agribusiness and food player**, with a **superior at-scale upstream** and **resilient value-adding downstream** businesses



#### Yield Intensification



#### Cost Efficiency



#### Value Added Product Enhancement

Advancing our operational excellence to the next level by leveraging **cutting-edge technology** and **agri-science innovation** throughout our business value chain

- R&D on superior planting materials
- Precision agriculture
- Advanced mechanisation and automation
- Best practice plantation management

Optimising margin through capability in providing **large portfolio of products and services**

- Quality
- Healthier alternatives
- Sustainably-produced
- Full-service distribution



Targeted capital expenditure of **up to US\$300 million** in 2024 mainly for: replanting; expansion of kernel crushing, oleochemical, and refining plants; enhancement of downstream facilities including for traceable products; and carbon emission reduction initiatives

### Robust Industry Outlook



**Slowing supply growth** with aging plantations and replanting activities. Growth from other oilseeds is also limited. Erratic weather conditions and geopolitical conflicts may result in supply disruptions



**Sustained demand growth** for food and oleochemicals underpinned by palm oil's high productivity, competitive price and wide range of uses



**Increasing bioenergy demand** is a strong catalyst with increasing blending mandates, especially in Indonesia, USA and Brazil

## Towards Responsible Palm Oil Production



### Vigilance against fire and haze

- GAR maintained its heightened vigilance against fire due to El Nino event
- Limited impact on GAR's operations
- 117 villages in long-term Desa Makmur Peduli Api programme to prevent fires

### Fully traceable palm supply chain

- Achieved 99% traceability to the plantation for the palm supply chain in Indonesia
- Carrying out Traceability to the Mill for global palm supply chain
- This will help GAR comply with upcoming requirements like EUDR
- Traceability enables GAR to carry out supply chain NDPE assessments and support suppliers to become more sustainable



### Creating Bright Futures for communities

- 100 projects under Bright Future Initiative: organic, cash crop and livestock farming
- Enables community to earn more income through selling value-added products

Note: EUDR = EU Deforestation Regulation, NDPE = No Deforestation, No Peat and No Exploitation



## Appendix



## Plantation Age Profile



**Immature and younger estates use newer-generation higher-yielding planting materials that will further boost production growth in the future**

hectares	Immature (0-3 years)	Young (4-6 years)	Prime 1 (7-18 years)	Prime 2 (19-25 years)	Old (>25 years)	Total
<u>31 December 2023</u>						
Nucleus	38,330	46,675	216,842	47,080	67,001	415,929
Plasma	7,012	4,163	29,163	16,693	59,217	116,247
Total Planted Area	45,342	50,838	246,005	63,773	126,218	532,176
% of total	8%	10%	46%	12%	24%	100%
<u>31 December 2022</u>						
Nucleus	32,818	50,130	220,622	53,154	65,373	422,097
Plasma	7,526	3,834	28,600	24,546	51,094	115,600
Total Planted Area	40,344	53,964	249,222	77,700	116,467	537,697
% of total	8%	10%	46%	14%	22%	100%










**If you need further information, please contact:**

Golden Agri-Resources Ltd  
c/o 108 Pasir Panjang Road  
#06-00 Golden Agri Plaza  
Singapore 118535  
Tel: +65 6590 0800  
Fax: +65 6590 0887

[www.goldenagri.com.sg](http://www.goldenagri.com.sg)

Richard Fung - Director, Investor Relations  
[richard@goldenagri.com.sg](mailto:richard@goldenagri.com.sg)

-  Golden Agri-Resources
-  @GAR\_Sinarmas
-  @goldenagri\_sinarmas
-  @GARSinarmasagri
-  Golden Agri-Resources