

## UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS & RELATED ANNOUNCEMENT

For the Six Months & Full Year Ended 31 December 2021

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## Condensed Interim Consolidated Statement of Comprehensive Income

		2H2021	2H2020	Change	FY2021	FY2020	Change
	Note	Rp ' million	Rp ' million	%	Rp ' million	Rp ' million	%
Revenue	4	10,700,942	7,602,106	40.8	19,658,529	14,474,700	35.8
Cost of sales		(7,651,391)	(5,636,479)	35.7	(14,585,970)	(11,556,095)	26.2
<b>Gross profit</b>		<b>3,049,551</b>	<b>1,965,627</b>	<b>55.1</b>	<b>5,072,559</b>	<b>2,918,605</b>	<b>73.8</b>
Gross profit %		28.5%	25.9%		25.8%	20.2%	
Selling and distribution expenses		(372,845)	(249,725)	49.3	(852,936)	(497,923)	71.3
General and administrative expenses		(395,164)	(330,440)	19.6	(773,425)	(734,029)	5.4
Foreign exchange (loss)/ gain		(3,759)	11,955	n/m	(2,312)	(44,712)	(94.8)
Other operating income		99,870	40,112	149.0	133,321	83,137	60.4
Other operating expenses		(797,517)	(66,851)	>+500	(914,446)	(126,042)	>+500
Share of results of associate companies		(28,067)	(48,145)	(41.7)	(60,997)	(249,324)	(75.5)
Share of results of joint ventures		75,442	96,616	(21.9)	104,357	126,670	(17.6)
Gain arising from changes in fair value of biological assets		146,623	150,080	(2.3)	112,690	3,108	>+500
<b>Profit from operations</b>		<b>1,774,134</b>	<b>1,569,229</b>	<b>13.1</b>	<b>2,818,811</b>	<b>1,479,490</b>	<b>90.5</b>
Financial income		37,724	34,058	10.8	70,099	71,040	(1.3)
Financial expenses		(306,101)	(347,062)	(11.8)	(630,221)	(744,347)	(15.3)
<b>Profit before tax</b>	5	<b>1,505,757</b>	<b>1,256,225</b>	<b>19.9</b>	<b>2,258,689</b>	<b>806,183</b>	<b>180.2</b>
Income tax expenses	6	(541,005)	(517,371)	4.6	(978,802)	(642,617)	52.3
<b>Net profit for the period/ year</b>		<b>964,752</b>	<b>738,854</b>	<b>30.6</b>	<b>1,279,887</b>	<b>163,566</b>	<b>682.5</b>
<b>Core profit after tax <sup>(1)</sup></b>		<b>1,299,442</b>	<b>732,352</b>	<b>77.4</b>	<b>1,774,133</b>	<b>694,896</b>	<b>155.3</b>
<b>Profit attributable to:</b>							
Owners of the Company		602,033	449,332	34.0	754,729	19,913	>+500
Non-controlling interests		362,719	289,522	25.3	525,158	143,653	265.6
		<b>964,752</b>	<b>738,854</b>	<b>30.6</b>	<b>1,279,887</b>	<b>163,566</b>	<b>682.5</b>

### Notes

n/m denotes "Not Meaningful"

- (1) Net profit before accounting for the effects of foreign exchange, fair value gain on biological assets, ECL of plasma receivables, impairment of property, plant and equipment, adjustment of deferred tax due to changes in tax rate, share of non-recurring loss of an associate company and rationalisation costs.

## Condensed Interim Consolidated Statement of Comprehensive Income (cont'd)

	2H2021	2H2020	Change	FY2021	FY2020	Change
Note	Rp ' million	Rp ' million	%	Rp ' million	Rp ' million	%
<b>Other comprehensive income (OCI):</b>						
<b>Items that may be reclassified subsequently to profit or loss</b>						
Foreign currency translation	(54,052)	74,997	n/m	(21,111)	(85,647)	(75.4)
<b>Items that will not be reclassified to profit or loss</b>						
Change in fair value of financial asset at FVOCI	(16,951)	47	n/m	(17,265)	(49)	>+500
Re-measurement gain on employee benefits liabilities	93,846	551,459	(83.0)	104,240	535,890	(80.5)
Income tax effect related to re-measurement gain on employee benefits liabilities	(20,645)	(129,877)	(84.1)	(22,933)	(126,452)	(81.9)
Share of OCI of an associate company and joint ventures	(156,262)	(8,116)	>+500	(332,298)	(160,107)	107.5
<b>Other comprehensive income, net of tax</b>	<b>(154,064)</b>	<b>488,510</b>	<b>n/m</b>	<b>(289,367)</b>	<b>163,635</b>	<b>n/m</b>
<b>Total comprehensive income</b>	<b>810,688</b>	<b>1,227,364</b>	<b>(33.9)</b>	<b>990,520</b>	<b>327,201</b>	<b>202.7</b>
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	506,602	751,016	(32.5)	499,721	2,729	>+500
Non-controlling interests	304,086	476,348	(36.2)	490,799	324,472	51.3
	<b>810,688</b>	<b>1,227,364</b>	<b>(33.9)</b>	<b>990,520</b>	<b>327,201</b>	<b>202.7</b>
<b>Earnings per share (in Rupiah)</b>						
	7					
Basic (Rp)	431	322	34.0	541	14	>+500
Diluted (Rp)	431	322	34.0	541	14	>+500

### Notes

n/m denotes "Not Meaningful"

### Additional information:

Adjusted earnings before interests and tax expense, depreciation and amortization ("EBITDA")

	2H2021	2H2020	Change	FY2021	FY2020	Change
	Rp ' million	Rp ' million	%	Rp ' million	Rp ' million	%
Profit from operations	1,774,134	1,569,229	13.1	2,818,811	1,479,490	90.5
Add: Depreciation & amortisation	747,862	811,072	(7.8)	1,468,177	1,484,962	(1.1)
EBITDA	2,521,996	2,380,301	6.0	4,286,988	2,964,452	44.6
Less: Gain arising from changes in fair value of biological assets	146,623	150,080	(2.3)	112,690	3,108	>+500
Less: Foreign exchange (loss)/gain	(3,759)	11,955	n/m	(2,312)	(44,712)	(94.8)
Add: Share of non-recurring loss of an associate	-	9,584	n/m	-	172,852	n/m
Add: Impairment of property, plant and equipment	313,452	2,580	>+500	313,452	2,580	>+500
Adjusted EBITDA	2,692,584	2,230,430	20.7	4,490,062	3,181,488	41.1
Adjusted EBITDA %	25.2%	29.3%		22.8%	22.0%	

## Condensed Interim Statements of Financial Position

	Note	Group		Company	
		31/12/2021 Rp ' million	31/12/2020 Rp ' million	31/12/2021 Rp ' million	31/12/2020 Rp ' million
<b>Non-current assets</b>					
Biological assets		328,344	313,453	-	-
Property, plant and equipment	9	18,527,203	19,374,353	25,493	29,044
Right-of-use assets	9	1,959,874	1,967,628	-	-
Goodwill	10	3,211,427	3,211,427	-	-
Claims for tax refund		67,164	105,716	-	-
Deferred tax assets	11	398,509	570,877	-	-
Investment in subsidiary companies	12.1	-	-	10,706,846	10,706,846
Investment in associate companies	12.2	1,468,094	1,538,001	439,254	439,254
Investment in joint ventures	12.3	375,363	664,037	-	-
Amount due from a subsidiary		-	-	860,000	970,000
Advances and prepayments		421,767	333,716	-	-
Other non-current receivables		1,343,955	1,602,580	10	10
<b>Total non-current assets</b>		<b>28,101,700</b>	<b>29,681,788</b>	<b>12,031,603</b>	<b>12,145,154</b>
<b>Current assets</b>					
Inventories		2,655,342	2,671,909	-	-
Trade and other receivables		1,563,752	1,300,032	43,074	90,144
Advances and prepayments		460,274	340,544	151	150
Prepaid taxes		191,507	230,281	-	-
Biological assets		873,393	777,388	-	-
Assets held for sale		41,795	41,795	-	-
Cash and cash equivalents		3,763,644	2,446,494	36,394	18,539
<b>Total current assets</b>		<b>9,549,707</b>	<b>7,808,443</b>	<b>79,619</b>	<b>108,833</b>
<b>Total assets</b>		<b>37,651,407</b>	<b>37,490,231</b>	<b>12,111,222</b>	<b>12,253,987</b>
<b>Current liabilities</b>					
Trade and other payables and accruals		1,956,863	2,013,850	108,169	109,075
Advances and other payables		424,972	341,192	-	-
Lease liabilities	9	32,052	43,918	-	-
Interest-bearing loans and borrowings	14	7,246,412	6,583,123	641,392	190,418
Income tax payable		310,103	222,187	2	3
<b>Total current liabilities</b>		<b>9,970,402</b>	<b>9,204,270</b>	<b>749,563</b>	<b>299,496</b>
<b>Net current liabilities</b>		<b>(420,695)</b>	<b>(1,395,827)</b>	<b>(669,944)</b>	<b>(190,663)</b>

## Condensed Interim Statements of Financial Position (cont'd)

	Note	Group		Company	
		31/12/2021 Rp ' million	31/12/2020 Rp ' million	31/12/2021 Rp ' million	31/12/2020 Rp ' million
<b>Non-current liabilities</b>					
Interest-bearing loans and borrowings	14	3,087,699	4,772,696	-	631,904
Amounts due to related parties and other payables		618,913	516,143	-	-
Provisions		39,037	39,219	-	-
Lease Liabilities	9	11,200	20,125	-	-
Employee benefits liabilities	3	1,892,515	1,913,683	-	-
Deferred tax liabilities	11	661,628	577,167	25,207	20,325
<b>Total non-current liabilities</b>		<b>6,310,992</b>	<b>7,839,033</b>	<b>25,207</b>	<b>652,229</b>
<b>Total liabilities</b>		<b>16,281,394</b>	<b>17,043,303</b>	<b>774,770</b>	<b>951,725</b>
<b>Net assets</b>		<b>21,370,013</b>	<b>20,446,928</b>	<b>11,336,452</b>	<b>11,302,262</b>
<b>Equity attributable to owners of the Company</b>					
Share capital	15	3,584,279	3,584,279	10,912,411	10,912,411
Treasury shares		(390,166)	(390,166)	(390,166)	(390,166)
Revenue reserves		8,523,010	7,768,281	670,055	635,865
Other reserves		(154,807)	349,960	144,152	144,152
		<b>11,562,316</b>	<b>11,312,354</b>	<b>11,336,452</b>	<b>11,302,262</b>
Non-controlling interests		9,807,697	9,134,574	-	-
<b>Total equity</b>		<b>21,370,013</b>	<b>20,446,928</b>	<b>11,336,452</b>	<b>11,302,262</b>

## Condensed Interim Statements of Changes in Equity – the Group

	Attributable to owners of the Company					Non-controlling interests Rp' million	Total equity Rp' million
	Share capital Rp' million	Treasury shares Rp' million	Revenue reserves Rp' million	Other reserves Rp' million	Total reserves Rp' million		
<b>At 1 January 2021</b>	<b>3,584,279</b>	<b>(390,166)</b>	<b>7,768,281</b>	<b>349,960</b>	<b>8,118,241</b>	<b>9,134,574</b>	<b>20,446,928</b>
Net profit for the year	–	–	754,729	–	754,729	525,158	1,279,887
Other comprehensive income	–	–	–	(321,286)	(321,286)	31,919	(289,367)
Increase share capital in a subsidiary	–	–	–	(183,481)	(183,481)	183,481	–
Dividend payments by subsidiary companies	–	–	–	–	–	(67,435)	(67,435)
<b>Balance at 31 December 2021</b>	<b>3,584,279</b>	<b>(390,166)</b>	<b>8,523,010</b>	<b>(154,807)</b>	<b>8,368,203</b>	<b>9,807,697</b>	<b>21,370,013</b>

	Attributable to owners of the Company					Non-controlling interests Rp' million	Total equity Rp' million
	Share capital Rp' million	Treasury shares Rp' million	Revenue reserves Rp' million	Other reserves Rp' million	Total reserves Rp' million		
<b>At 1 January 2020</b>	<b>3,584,279</b>	<b>(390,166)</b>	<b>7,748,368</b>	<b>369,511</b>	<b>8,117,879</b>	<b>8,851,412</b>	<b>20,163,404</b>
Net profit for the year	–	–	19,913	–	19,913	143,653	163,566
Other comprehensive income	–	–	–	(17,184)	(17,184)	180,819	163,635
Share of an associates employee share based compensation reserve	–	–	–	(2,367)	(2,367)	–	(2,367)
Dividend payments by subsidiary companies	–	–	–	–	–	(41,310)	(41,310)
<b>Balance at 31 December 2020</b>	<b>3,584,279</b>	<b>(390,166)</b>	<b>7,768,281</b>	<b>349,960</b>	<b>8,118,241</b>	<b>9,134,574</b>	<b>20,446,928</b>

## Condensed Interim Statements of Changes in Equity – the Company

### Attributable to owners of the Company

	Share capital Rp' million	Treasury shares Rp' million	Revenue reserves Rp' million	Other reserves Rp' million	Total reserves Rp' million	Total equity Rp' million
<b>At 1 January 2021</b>	<b>10,912,411</b>	<b>(390,166)</b>	<b>635,865</b>	<b>144,152</b>	<b>780,017</b>	<b>11,302,262</b>
Net profit for the year	-	-	34,190	-	34,190	34,190
<b>Balance at 31 December 2021</b>	<b>10,912,411</b>	<b>(390,166)</b>	<b>670,055</b>	<b>144,152</b>	<b>814,207</b>	<b>11,336,452</b>

### Attributable to owners of the Company

	Share capital Rp' million	Treasury shares Rp' million	Revenue reserves Rp' million	Other reserves Rp' million	Total reserves Rp' million	Total equity Rp' million
<b>At 1 January 2020</b>	<b>10,912,411</b>	<b>(390,166)</b>	<b>754,617</b>	<b>144,152</b>	<b>898,769</b>	<b>11,421,014</b>
Net loss for the year	-	-	(118,752)	-	(118,752)	(118,752)
<b>Balance at 31 December 2020</b>	<b>10,912,411</b>	<b>(390,166)</b>	<b>635,865</b>	<b>144,152</b>	<b>780,017</b>	<b>11,302,262</b>

## Condensed Interim Consolidated Statement of Cash Flows

	Note	FY2021 Rp ' million	FY2020 Rp ' million
<b>Cash flows from operating activities</b>			
Profit before taxation		2,258,689	806,183
Adjustments for:			
Depreciation and amortisation		1,468,177	1,484,962
Realisation of deferred costs		177,348	156,128
Unrealised foreign exchange loss		135	30,753
(Write-back)/ allowance for doubtful account		(2)	97
Gain arising from changes in fair value of biological assets		(112,690)	(3,108)
Gain on disposal of right-of-use assets		(8,297)	-
Gain on disposal of property, plant and equipment		(5,140)	(1,368)
Write-off of property, plant and equipment		179,654	57
Changes in allowance for decline in market value and obsolescence of inventories		13,194	(7,542)
Changes in provision for asset dismantling costs		(182)	4,028
Changes in estimated liability for employee benefits		233,016	152,891
Allowance for uncollectible and loss arising from changes in amortised cost of plasma receivables	13	352,527	55,199
Gain arising from changes in amortised cost of long-term receivables		(39)	(338)
Share of results of associate companies		60,997	249,324
Share of results of joint ventures		(104,357)	(126,670)
Impairment of property, plant and equipment		313,452	2,580
Financial income		(70,099)	(71,040)
Financial expenses		630,221	744,347
<b>Operating cash flows before changes in working capital</b>		<b>5,386,604</b>	<b>3,476,483</b>
Changes in working capital:			
(Increase)/decrease in other non-current receivables		(21,698)	232,098
Decrease/(increase) in inventories		3,373	(410,653)
(Increase)/decrease in trade and other receivables		(265,784)	13,900
Decrease in advances to suppliers		(119,730)	(17,679)
Increase in prepaid taxes, advances and other payable		97,281	172,180
Decrease in trade and other payables and accruals		(159,625)	(29,114)
<b>Cash flows from operations</b>		<b>4,920,421</b>	<b>3,437,215</b>
Interest received		69,241	70,985
Interest paid		(613,238)	(727,927)
Income tax paid		(652,883)	(241,405)
<b>Net cash flows from operating activities</b>		<b>3,723,541</b>	<b>2,538,868</b>



## Condensed Interim Consolidated Statement of Cash Flows (cont'd)

	Note	FY2021 Rp ' million	FY2020 Rp ' million
<b>Cash flows from investing activities</b>			
Additions to property, plant and equipment	9	(1,016,528)	(1,157,984)
Additions to leases	9	(32,338)	(45,253)
Additions to biological assets		(190,075)	(194,004)
Increase in plasma receivables		(107,928)	(152,250)
Proceeds from disposal of property, plant and equipment	9	16,861	2,592
Proceeds from disposal of right-of-use assets		9,000	-
Advances for projects and purchases of property, plant and equipment		(55,387)	(28,556)
Dividend received from a joint venture		58,778	-
Additional investment in a joint venture		(9,796)	-
<b>Net cash flows used in investing activities</b>		<b>(1,327,413)</b>	<b>(1,575,455)</b>
<b>Cash flows from financing activities</b>			
Proceeds from interest-bearing loans and borrowings		901,800	2,103,428
Repayment of interest-bearing loans and borrowings		(1,942,369)	(2,335,272)
Proceeds from amount due to related parties		64,470	6,284
Dividend payments by subsidiaries to non-controlling interests		(67,435)	(41,310)
Payment of principal portion of lease liability	9	(44,766)	(47,253)
<b>Net cash flows used in financing activities</b>		<b>(1,088,300)</b>	<b>(314,123)</b>
<b>Net increase in cash and cash equivalents</b>		<b>1,307,828</b>	<b>649,290</b>
Effect of changes in exchange rates on cash and cash equivalents		9,322	9,742
Cash and cash equivalents at the beginning of the year		2,446,494	1,787,462
<b>Cash and cash equivalents at the end of the year</b>		<b>3,763,644</b>	<b>2,446,494</b>

## Notes to the Condensed Interim Consolidated Financial Statements

### 1. *Corporate information*

Indofood Agri Resources Ltd. (the "Company") is incorporated and domiciled in Singapore and whose shares are publicly traded on the Singapore Exchange Securities Trading Limited ("SGX-ST"). These condensed interim consolidated financial statements as at and for the six months and full year ended 31 December 2021 comprise the Company and its subsidiaries (collectively, the "Group").

The Group is a vertically-integrated agribusiness group, with its principal activities comprising research and development, oil palm seed breeding, cultivation of oil palm plantations, production and refining of crude palm oil ("CPO"), cultivation of rubber, sugar cane, cocoa, tea, and industrial timber plantations, and marketing and selling these end products.

These activities are carried out through the Company's subsidiaries, associates and joint ventures. The principal activity of the Company is that of an investment holding company.

PT Indofood Sukses Makmur Tbk ("PT ISM"), incorporated in Indonesia, and First Pacific Company Limited, incorporated in Hong Kong, are the penultimate and ultimate parent company of the Company, respectively. The immediate holding company is Indofood Singapore Holdings Pte. Ltd., incorporated in Singapore.

### 2. *Basis of Preparation*

The unaudited condensed interim financial statements for the six months ("2H2021") and full year ended 31 December 2021 ("FY2021") have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim financial statements for period ended 30 June 2021.

The Group has applied the same accounting policies in the preparation of the financial statements for the current period/year as the FY2020 financial statements, except for the adoption of new and amended standards as set out in Note 2.1 below.

The condensed interim financial statements are presented in Indonesia Rupiah ("Rp") which is the Company's functional currency and all values are rounded to the nearest million ("Rp million") except when otherwise indicated.

The financial statements have been prepared on a going concern basis notwithstanding the net current liabilities of the Group and the Company amounting to Rp421 billion (2020: Rp1,396 billion) and Rp670 billion (2020: Rp191 billion) respectively. The Directors are of the view that the future cash flows generated from operations, ability to refinance the maturing debts, together with the undrawn committed banking facilities, the Group and the Company will be able to meet its financial obligations.

#### 2.1 *New and amended standards adopted by the Group*

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

### 3. *Use of judgements and estimates*

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the FY2020 consolidated financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are presented below. The methodology and procedures for determining the provisions, allowances and key estimates of the following amounts have not changed since the last year end.

- Allowance for expected credit loss ("ECL") of trade receivables

The Group uses the same provision matrix that were applied in its FY2020 financial statements to calculate ECL for trade receivables.

The carrying amount of trade receivables as at 31 December 2021 is Rp1,463.0 billion (2020: Rp1,195.6 billion).

- Allowance for ECL of plasma receivables

The Group uses the same methodology and basis that were applied in its FY2020 financial statements to calculate ECL of plasma receivables.

The gross carrying amount of the Group's plasma receivables before the allowance for ECL and the adjustments of effective interest rate ("EIR") amortisation as at 31 December 2021 is Rp2,317.7 billion (2020: Rp2,213.7 billion).

An impairment analysis is performed at each reporting date to measure ECL. The Group's allowance for uncollectible and adjustments of EIR amortisation of plasma receivables as at 31 December 2021 is disclosed in Note 13.

- Lease term of contracts with renewal and terminal options - the Group as lessee

The Group has lease contracts for various assets of land, buildings and office equipment used in its operations. The Group is restricted from assigning and subleasing the leased assets. The Group has several lease contracts that include extension and termination options. The Group applied the same basis as in its FY2020 financial statements in evaluating whether it is reasonably certain to exercise the option to renew or to terminate the lease.

As at 31 December 2021, the balance of the lease contracts is presented as "Right-of-use assets" in the consolidated balance sheet.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are presented below:

### 3. Use of judgements and estimates (cont'd)

- Goodwill impairment

Goodwill was tested for impairment as at 31 October 2021. As at 31 December 2021, there was no significant change in the assumptions used by management that could have significant impact in determining the recoverable value of the goodwill. No impairment loss was recognised as at 31 December 2021 as the recoverable amounts of the goodwill were in excess of their respective carrying values of cash-generating unit ("CGU"). The recoverable amounts of the CGU were determined using discounted cash flow model based on cash flow projections covering a period of 10 years for plantation estates in early development stage and 5 years for established plantations. The cash flows beyond the projected periods are extrapolated using the estimated terminal growth rate indicated above. The terminal growth rate used does not exceed the long-term average growth rate in Indonesia. The discount rate applied to the cash flow projections is derived from the weighted average cost of capital of the respective CGUs.

The carrying amount of the Group's goodwill as at 31 December 2021 is Rp3,211.4 billion (2020: Rp3,211.4 billion). Further details are disclosed in Note 10.

- Pension and employee benefits

The determination of the Group's obligations and cost for pension and employee benefits liabilities is dependent on its selection of certain assumptions used by independent actuaries in calculating such amounts. Those assumptions include among others, discount rates, future annual salary increase, annual employee turnover rate, disability rate, retirement age and mortality rate. Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are recognised immediately in other comprehensive income as and when they occur. While the Group believes that its assumptions are reasonable and appropriate, significant differences in the Group's actual experiences or significant changes in the Group's assumptions may materially affect its estimated liabilities for pension and employee benefits and net employee benefits expense.

The carrying amount of the Group's employee benefits liabilities as at 31 December 2021 is Rp1,892.6 billion (2020: Rp1,913.7 billion). The key assumptions applied in the determination of pension and employee benefits liabilities, are as follows:

Annual discount rate	:	3.0% - 7.5% (2020: 6.4% - 6.5%)
Future annual salary increase	:	4.0% (2020: 4.0%)
Annual employee turnover rate	:	6.0% for employees under 30 years old and linearly decrease until 0% at the age of 52 years
Annual disability rate	:	10% from mortality rate
Retirement age	:	55 years old
Mortality rate reference	:	Indonesian Mortality Table IV

- Depreciation of property, plant and equipment

The cost of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these property, plant and equipment to be within 4 to 30 years. These are common life expectancies applied in the industries where the Group conducts its businesses. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, and therefore future depreciation charges could be revised. The net carrying amount of the Group's property, plant and equipment as at 31 December 2021 is disclosed in the Consolidated Balance Sheet.

- Biological assets

The Group recognises its timber plantations and agricultural produce of bearer plants at fair value less costs to sell, which requires the use of accounting estimates and assumptions.

### 3. Use of judgements and estimates (cont'd)

- Biological assets (cont'd)

The Group adopts the income approach to measure the timber plantations and fair value of unharvested produce of bearer plants. The significant assumptions applied to determine the fair value of biological assets included the projected selling prices, production yields, discount rate, inflation rate and exchange rates. For the valuation of unharvested fruit bunches of oil palm and latex of rubber, the Group has applied the actual harvest data subsequent to year end to derive the fair value of unharvested produce of oil palm and rubber at year end. For the valuation of oil palm seeds, sugar cane and timber, the Group has applied discounted cash flow models to derive its fair value.

The amount of changes in fair values would differ if there are changes to the assumptions used. Any changes in fair values of these agricultural produces would affect the Group's profit or loss and equity. The carrying amount of the Group's biological assets as at 31 December 2021 (under Non-current assets and Current assets) is Rp1,201.7 billion (2020: Rp1,090.8 billion). The key assumptions applied in the determination of fair value of biological assets are as follow.

#### Biological assets under Non-current assets - Timber Plantations

For timber plantations, the Group appointed an independent valuer to determine the fair value of timber annually and any resultant gain or loss arising from the changes in fair values is recognised in the profit or loss. The independent valuer adopted the income approach for the fair valuation of timber using a discounted cash flow model. The cash flow models estimate the relevant future cash flows which are expected to be generated in the future and discounted to the present value by using a discount rate. The carrying amount of the Group's timber plantation as at 31 December 2021 is Rp328.3 billion (2020: Rp313.5 billion).

The key assumptions applied are as follows:

- (i) Timber tree is available for harvest only once about 8 years after initial planting.
- (ii) Discount rate used represents the asset specific rate for the Group's timber plantations operations which are applied in the discounted future cash flows calculation.
- (iii) The projected selling price of logs over the projection period are based on average selling price of the produce which is extrapolated based on changes of plywood log market price.

#### Biological assets under Current assets - Agricultural produce of bearer plants

The Group adopted the income approach to measure the fair value of the unharvested agricultural produce of bearer plants which mainly comprise of FFB, oil palm seeds, latex and sugar cane.

The key assumptions applied on the fair value of FFB and latex are as follows:

- (i) Estimated volume of subsequent harvest as of reporting date;
- (ii) Selling price of FFB and latex based on the market prices at year end.

The key assumptions applied on the fair value of sugar cane are as follows:

- (i) Cane tree is available for annual harvest for 12 months after initial planting, and subsequently up to 3 more annual harvests;
- (ii) Discount rate used represents the asset specific rate for the cane produce which is applied in the discounted future cash flows calculation;
- (iii) The projected selling price of sugar over the projection period are based on the extrapolation of market prices and the forecasted price trend from the World Bank, but not exceeding the highest retail price imposed by the Ministry of Trade of Indonesia.

The key assumptions applied on the fair value of oil palm seeds are as follows:

- (i) Estimated volume of 6 months subsequent harvest as at reporting date;
- (ii) Discount rate used represents the asset specific rate for the seed produce which is applied in the discounted future cash flows calculation;
- (iii) The projected selling price of palm seeds over the projection period are based on the extrapolation of market prices.

### 3. Use of judgements and estimates (cont'd)

- Income tax

Significant judgement is involved in determining provision for income tax. Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income which requires future adjustments to tax income and expense already recorded. There are certain transactions and computation for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected income tax issues based on estimates of whether additional income taxes will be due. Where the final income tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred income tax in the year in which such decision is made by the taxation authority. The carrying amount of the Group's tax payables as at 31 December 2021 is Rp310.1 billion (2020: Rp222.2 billion).

#### Claims for tax refund

The management exercises judgement to record the amount of recoverable and refundable tax claims by the Tax Office based on the interpretations of current tax regulations. The carrying amount of the Group's claims for tax refund and tax assessments under appeal as at 31 December 2021 is Rp67.2 billion (2020: Rp105.7 billion).

#### Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that there will be sufficient taxable profit within the next 5 years against which the tax losses can be utilised. Significant management estimates are required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The carrying amount of the Group's deferred tax assets as at 31 December 2021 is Rp398.5 billion (2020: Rp570.9 billion).

- Allowance for decline in market value of inventories and obsolescence of inventories

Allowance for decline in market value of inventories and obsolescence of inventories is estimated based on the best available facts and circumstances, including but not limited to, the inventories' own physical conditions, their market selling prices, estimated costs of completion and estimated costs to be incurred for their sales. The provisions are re-evaluated and adjusted as additional information received affects the amount estimated. The carrying amount of the Group's inventories as at 31 December 2021 is Rp2,655.3 billion (2020: Rp2,671.9 billion).

- Estimating the Incremental Borrowing Rate of a Lease

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term.

The incremental borrowing rate therefore reflects interest the Group would have to pay, which requires estimation when no observable rates are available (such as for entities within the Group that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease.

The Group estimates the incremental borrowing rate using observable inputs (such as market interest rates) when available and make certain entity-specific estimates as necessary.

#### 4. Disaggregation of revenue

Revenue represents the value arising from the sales of palm oil, rubber, sugar, edible oils, and other agricultural products. Revenue is disaggregated to Plantations and Edible Oils and Fats segment. The timing of transfer of goods is determined at a point in time. The Group does not have revenue that is recognised over time.

Revenue from a single region is disclosed separately when it exceeds 10% of the Group's revenue. For FY2021 and FY2020, other than Indonesia, no other country accounted for 10% or more of the Group's revenue.

	Plantations		Edible Oils and Fats		Others/eliminations		Total	
	2H2021 Rp' million	2H2020 Rp' million	2H2021 Rp' million	2H2020 Rp' million	2H2021 Rp' million	2H2020 Rp' million	2H2021 Rp' million	2H2020 Rp' million
<b>Sales channel</b>								
Third party	1,890,511	1,696,246	8,810,431	5,905,860	-	-	10,700,942	7,602,106
Inter-segment	4,048,110	3,188,969	1,033	395	(4,049,143)	(3,189,364)	-	-
	5,938,621	4,885,215	8,811,464	5,906,255	(4,049,143)	(3,189,364)	10,700,942	7,602,106
<b>Primary geographical markets</b>								
Indonesia	5,892,493	4,854,196	7,149,819	5,036,297	(4,049,143)	(3,189,364)	8,993,169	6,701,129
Outside Indonesia	46,128	31,019	1,661,645	869,958	-	-	1,707,773	900,977
	5,938,621	4,885,215	8,811,464	5,906,255	(4,049,143)	(3,189,364)	10,700,942	7,602,106
<b>Major product lines</b>								
CPO	4,464,617	3,498,385	-	-	(4,048,111)	(3,188,967)	416,506	309,418
Palm kernel & related products	581,365	456,192	-	-	-	-	581,365	456,192
Edible Oils and Fats	-	-	8,811,464	5,906,255	(1,033)	(395)	8,810,431	5,905,860
Others	892,639	930,638	-	-	1	(2)	892,640	930,636
	5,938,621	4,885,215	8,811,464	5,906,255	(4,049,143)	(3,189,364)	10,700,942	7,602,106

#### 4. Disaggregation of revenue (cont'd)

	Plantations		Edible Oils and Fats		Others/eliminations		Total	
	FY2021 Rp' million	FY2020 Rp' million	FY2021 Rp' million	FY2020 Rp' million	FY2021 Rp' million	FY2020 Rp' million	FY2021 Rp' million	FY2020 Rp' million
<b>Sales channel</b>								
Third party	3,385,333	3,024,394	16,273,196	11,450,306	-	-	19,658,529	14,474,700
Inter-segment	7,176,019	5,432,925	3,244	814	(7,179,263)	(5,433,739)	-	-
	10,561,352	8,457,319	16,276,440	11,451,120	(7,179,263)	(5,433,739)	19,658,529	14,474,700
<b>Primary geographical markets</b>								
Indonesia	10,444,058	8,354,864	13,151,270	9,861,489	(7,179,263)	(5,433,739)	16,416,065	12,782,614
Outside Indonesia	117,294	102,455	3,125,170	1,589,631	-	-	3,242,464	1,692,086
	10,561,352	8,457,319	16,276,440	11,451,120	(7,179,263)	(5,433,739)	19,658,529	14,474,700
<b>Major product lines</b>								
CPO	7,895,170	6,267,419	-	-	(7,176,009)	(5,432,913)	719,161	834,506
Palm Kernel & related products	1,163,993	830,432	-	-	-	-	1,163,993	830,432
Edible Oils and Fats	-	-	16,276,440	11,451,120	(3,244)	(814)	16,273,196	11,450,306
Others	1,502,189	1,359,468	-	-	(10)	(12)	1,502,179	1,359,456
	10,561,352	8,457,319	16,276,440	11,451,120	(7,179,263)	(5,433,739)	19,658,529	14,474,700

#### 5. Profit before taxation

The following items have been included in arriving at profit before tax:

	2H2021	2H2020	Change	FY2021	FY2020	Change
	Rp' million	Rp' million	%	Rp' million	Rp' million	%
Depreciation of property, plant and equipment	691,572	717,746	(3.6)	1,358,785	1,355,848	0.2
Amortisation of deferred charges, right-of-use assets and others	56,290	93,326	(39.7)	109,392	129,114	(15.3)
Interest on borrowings and leases	297,340	334,505	(11.1)	617,404	725,406	(14.9)
Allowance for uncollectible and loss arising from changes in amortised cost	265,240	34,590	>+500	352,488	54,861	>+500
Write-off of property, plant and equipment	177,156	-	n/m	179,654	57	>+500
Gain on disposal of property, plant and equipment	(3,628)	(1,115)	225.4	(5,140)	(1,368)	275.7
Changes in provision for asset dismantling costs	(283)	3,212	n/m	(182)	4,028	n/m
Impairment of property, plant and equipment	313,452	2,580	>+500	313,452	2,580	>+500



## 6. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

	Group			
	2H2021 Rp' million	2H2020 Rp' million	FY2021 Rp' million	FY2020 Rp' million
Current income tax expense	441,977	292,230	743,921	446,478
Deferred income tax expense relating to origination and reversal of temporary differences	99,028	225,141	234,881	196,139
	541,005	517,371	978,802	642,617

## 7. Earnings per share

Basic earnings per share amounts are calculated by dividing earnings for the period attributable to the equity holders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is calculated on the same basis as the basic earnings per share except that the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential ordinary shares. The Company has no dilutive potential ordinary shares as at 31 December 2021.

Earnings per share (Rp)	Group					
	2H2021 Rp 'million	2H2020 Rp 'million	Change %	FY2021 Rp 'million	FY2020 Rp 'million	Change %
Based on weighted average number of shares	431	322	34.0	541	14	>+500
Based on a fully diluted basis	431	322	34.0	541	14	>+500

## 8. Net asset value

The net asset value per share for the Group is calculated using the Group's net asset value attributable to equity holders as at end of each period divided by the issued share capital of 1,395,904,530 (excluding 51,878,300 held as treasury shares) as of 31 December 2021 and 31 December 2020.

As at 31 December	Group		Company	
	2021	2020	2021	2020
Net asset value per share (Rp)	8,283	8,104	8,121	8,097
Net asset value per share (SGD 'cents) (converted at Rp10,534 /S\$1)	78.6	76.9	77.1	76.9

## 9. Property, plant and equipment and Leases

### Property, plant and equipment

In FY2021, the Group acquired property, plant and equipment amounting to Rp1,016.5 billion (FY2020: Rp1,158.0 billion). The proceeds from disposal of property, plant and equipment amounting to Rp16.9 billion (FY2020: Rp2.6 billion) with disposal gains of Rp5.1 billion (FY2020: Rp1.4 billion)

## 9. *Property, plant and equipment and Leases (cont'd)*

With the existence of impairment indicators, the Group performed impairment assessment as of 31 October 2021, the Group recognised an impairment loss of Rp300.5 billion (FY2020: nil) as the recoverable amount was lower than the carrying value of rubber plantation.

The Company acquired property, plant and equipment amounting Rp0.1 billion in FY2021 (FY2020: nil).

### **Right-of-use assets/ leases**

In FY2021, the Group's addition to leases amounting to Rp32.3 billion (FY2020: Rp45.3 billion) and payment of principal portion of lease liabilities amounting to Rp44.8 billion (FY2020: Rp47.3 billion).

The proceeds from disposed of right-of-use assets amounting to Rp9.0 billion (FY2020: nil) with disposal gains of Rp8.3 billion (FY2020: nil).

## 10. *Goodwill*

	<b>31/12/2021</b>	<b>31/12/2020</b>
	<b>Rp' million</b>	<b>Rp' million</b>
<b>Cost</b>		
Balance as at 1 January and 31 December	3,211,427	3,211,427

Goodwill arising from business combination was allocated to the following cash-generating units ("CGU") for impairment testing:

Integrated plantation estates of Lonsum	2,909,757	2,909,757
Plantation estates of PT GS	8,055	8,055
Plantation estates of PT MPI	2,395	2,395
Plantation estates of PT SBN	234	234
Integrated plantation estates of PT CNIS	7,712	7,712
Plantation estates of PT LPI	37,230	37,230
Plantation estates and research facility of PT SAIN	113,936	113,936
Plantation estates of PT RAP	3,388	3,388
Plantation estates of PT JS	1,533	1,533
Integrated plantation estates of PT MISP	34,087	34,087
Plantation estates of PT SAL	86,996	86,996
Plantation estates of PT MLI	6,104	6,104
Total	3,211,427	3,211,427

Goodwill was tested for impairment as at 31 October 2021. As at 31 December 2021, there was no significant change in the assumptions used by management that could have significant impact in determining the recoverable value of the goodwill.

No impairment loss was recognised as at 31 October 2021 as the recoverable amounts of the goodwill were in excess of their respective carrying values.

The recoverable amount of the goodwill allocated to the plantation estates of Lonsum has been determined based on value-in-use calculations. The recoverable amounts of the goodwill allocated to all other plantation estates were determined based on fair value less costs of disposal ("FVLCD"), using discounted cash flow method. The FVLCD derived is categorised under Level 3 of the fair value hierarchy.

## 10. Goodwill (cont'd)

The following assumptions were used to estimate the recoverable amounts:

Cash generating units	Carrying amount of goodwill	Pre-tax discount rate		Growth rate after forecast period	
		31 October 2021	31 October 2020	31 October 2021	31 October 2020
<b>Recoverable amount assessment based on value-in-use</b>					
Integrated plantation estates of Lonsum	2,909,757	12.69%	12.54%	5.45%	5.30%
<b>Recoverable amount assessment based on FVLCD</b>					
Plantation estates of PT GS	8,055	12.80%	12.85%	5.45%	5.30%
Plantation estates of PT MPI	2,395	12.75%	12.73%	5.45%	5.30%
Plantation estates of PT SBN	234	11.92%	12.53%	5.45%	5.30%
Integrated plantation estates of PT CNIS	7,712	11.86%	12.53%	5.45%	5.30%
Plantation estates of PT LPI	37,230	10.48%	10.61%	5.45%	5.30%
Plantation estates and research facility of PT SAIN	113,936	12.50%	12.54%	5.45%	5.30%
Plantation estates of PT RAP	3,388	12.45%	12.78%	5.45%	5.30%
Plantation estates of PT JS	1,533	12.50%	12.12%	5.45%	5.30%
Integrated plantation estates of PT MISP	34,087	12.52%	12.97%	5.45%	5.30%
Plantation estates of PT SAL	86,996	9.51%	8.79%	5.45%	5.30%
Plantation estates of PT MLI	6,104	10.15%	10.70%	5.45%	5.30%
<b>Sub-total</b>	<u>301,670</u>				
<b>Grand total</b>	<u><u>3,211,427</u></u>				

The recoverable amounts of the CGU were determined using discounted cash flow model based on cash flow projections covering a period of 10 years for plantation estates in early development stage and 5 years for established plantations.

The primary selling prices used in the discounted cashflow model are projected prices of CPO, rubber, sugar and logs.

- CPO The projected prices are based on the outlook from reputable independent forecasting service firm and the World Bank forecasts for the projection period.
- Rubber The projected prices (RSS1 and other rubber products of the Group) over the projection period are based on the extrapolation of actual selling prices and the forecasted price trend from the World Bank.
- Sugar The sugar prices used in the projection are based on the extrapolation of market prices and the forecasted price trend from the World Bank, but not exceeding the highest retail price imposed by the Ministry of Trade of Indonesia.
- Logs The projected prices of logs are based on the average selling prices of the produce which are extrapolated based on changes of market prices of plywood log.

The cash flows beyond the projected periods are extrapolated using the estimated terminal growth rate indicated above. The terminal growth rate used does not exceed the long-term average growth rate in Indonesia. The discount rate applied to the cash flow projections is derived from the weighted average cost of capital of the respective CGUs.

Changes to the assumptions used by the management to determine the recoverable amounts, in particular the CPO price, discount and terminal growth rates, can have significant impact on the results of the assessment. Management is of the opinion that no reasonably possible change in any of the key assumptions stated above would cause the carrying amount of the goodwill for each of the CGU to materially exceed their respective recoverable amounts.

## 10. Goodwill (cont'd)

Management believes that there were no indicators of impairment existed on the above-mentioned goodwill for the year ended 31 December 2021 that required the Group to perform impairment tests of goodwill other than the annual tests.

## 11. Deferred tax

Deferred tax relates to the following:

	31/12/2021 Rp' million	31/12/2020 Rp' million
<b>Temporary tax differences:</b>		
Property, plant and equipment	(906,980)	(918,583)
Biological assets	(179,791)	(115,160)
Withholding tax on unremitted foreign interest income	(25,207)	(20,325)
Adjustments for uncollectible and loss arising from changes in amortised cost of plasma receivables	111,553	121,133
Allowance for employees benefit expenses	33,350	35,466
Allowance for decline in market value and obsolescence of inventories	27,847	83,361
Provision for unrecoverable advance	12,915	11,741
Employee benefits liabilities	407,514	366,520
Deferred inter-company profits	29,291	28,616
Tax losses carry forward	189,704	400,739
Impairment of property, plant and equipment	60,643	-
Others	(23,958)	202
Total	<u>(263,119)</u>	<u>(6,290)</u>
<b>Classified as:</b>		
Deferred tax assets	398,509	570,877
Deferred tax liabilities	<u>(661,628)</u>	<u>(577,167)</u>

## 12. Investment in subsidiary companies, associate companies and joint ventures

### 12.1 Investment in subsidiary companies

	Company	
	31/12/2021 Rp' million	31/12/2020 Rp' million
Carrying value of investment	<u>10,706,846</u>	<u>10,706,846</u>

The Group held less than 50% effective shareholdings in certain subsidiaries but owned, directly and indirectly, more than half of the voting power in the list of subsidiaries. There was no acquisition and disposal of subsidiary during the reporting period/year.

Management has performed an impairment assessment to assess the recoverable amounts of investment in subsidiary companies, comprising PT Salim Ivomas Pratama Tbk ("PT SIMP"), PT Lonsum, IFAR Brazil Pte. Ltd. Based on the assessment, the recoverable amounts were in excess of the carrying value of the investments in subsidiary companies and hence no impairment loss was recognised as at 31 December 2021.

## 12. Investment in subsidiary companies, associate companies and joint ventures (cont'd)

### 12.2 Investment in associate companies

	Group	
	31/12/2021	31/12/2020
	Rp' million	Rp' million
Cost of investment, at cost	1,877,942	1,877,942
Cumulative share of results and other comprehensive income	(509,133)	(435,878)
Foreign currency translation	86,364	83,016
Gain from deemed disposal	12,921	12,921
Carrying value of investment	<u>1,468,094</u>	<u>1,538,001</u>

The Group's associate companies remained the same as those in FY2020 financial statements, comprising FP Natural Resources Limited ("FPNRL"), Asian Assets Management Pte Ltd ("AAM"), PT Aston Inti Makmur ("AIM"), PT Prima Sarana Mustika ("PT PSM") and PT Indoagri Daitocacao ("Daitocacao").

Management has performed impairment review on the associates companies, and there were no indicators of impairment, except for the investment in FPNRL. Management has further assessed the recoverable amount of the underlying investment of FPNRL in Roxas Holdings Inc ("Roxas"), using a discounted cash flow model. The recoverable amount was in excess of the carrying value of the investment in FPNRL and hence no impairment loss was recognised as at 31 December 2021.

### 12.3 Investment in joint ventures

	Group	
	31/12/2021	31/12/2020
	Rp' million	Rp' million
Cost of investment (including acquisition related costs)	1,019,301	1,009,505
Cumulative share of results	352,095	247,738
Cumulative share of other comprehensive income	(491,684)	(171,644)
Loss on deemed disposal	(87,049)	(87,049)
Foreign currency translation	(358,522)	(334,513)
Dividend payment	(58,778)	-
Carrying value of investment	<u>375,363</u>	<u>664,037</u>

The list of joint ventures remained unchanged as to those in FY2020 financial statements, comprising Companhia Mineira de Açúcar e Alcool Participações ("CMAA") and Bússola Empreendimentos e Participações S.A ("Bússola").

At the end of September 2021, the shareholders of Bússola injected additional BRL10 million in Bússola, whereby the Group's 36.21% share was BRL 3.621 million (equivalent to Rp9.8 billion).

There were no indicators of impairment on investment in joint ventures as at 31 December 2021 and hence no further impairment assessment is required to determine the recoverable amount.

### 13. Financial assets and financial liabilities

Set out below is an overview of financial assets and financial liabilities of the Group as at 31 December 2021 and 31 December 2020:

	Group		Company	
	31/12/2021 Rp' million	31/12/2020 Rp' million	31/12/2021 Rp' million	31/12/2020 Rp' million
<b>Financial Assets</b>				
Cash and bank	3,763,644	2,446,494	36,394	18,539
Trade and other receivables	1,578,637	1,328,943	903,084	1,060,154
Plasma receivables	1,329,070	1,573,669	-	-
<b>Financial Liabilities</b>				
Trade and other payables	2,575,776	2,529,993	108,169	109,075
Interest-bearing loans and borrowings	14 10,334,111	11,355,819	641,392	822,322

#### Receivables that are impaired

The Group's trade receivables that are collectively impaired at the balance sheet date and the movement of the allowance account used to record the impairment are as follows:

	Group	
	31/12/2021 Rp' million	31/12/2020 Rp' million
As at 1 January	150	53
(Write-back)/ allowance for the year	(2)	97
As at 31 December	148	150

An analysis of the movement in allowance for uncollectible and adjustments of EIR amortisation of plasma receivables are as follows:

	Group	
	31/12/2021 Rp' million	31/12/2020 Rp' million
As at 1 January	640,052	584,853
Allowance for the year	543,457	41,229
Adjustments of EIR amortisation	(190,930)	13,970
Write-off	(3,907)	-
As at 31 December	988,672	640,052

**14. Borrowings and debt securities**

	Group		Company	
	31/12/2021 Rp' million	31/12/2020 Rp 'million	31/12/2021 Rp' million	31/12/2020 Rp 'million
Interest bearing debt payable in one year or less, or on demand				
Secured *	2,288,220	2,150,705	-	-
Unsecured	4,958,192	4,432,418	641,392	190,418
<b>Sub-total</b>	<b>7,246,412</b>	<b>6,583,123</b>	<b>641,392</b>	<b>190,418</b>
Interest bearing debt repayable after one year				
Secured *	2,337,699	3,390,792	-	-
Unsecured	750,000	1,381,904	-	631,904
<b>Sub-total</b>	<b>3,087,699</b>	<b>4,772,696</b>	<b>-</b>	<b>631,904</b>
<b>Total borrowings and debt securities</b>	<b>10,334,111</b>	<b>11,355,819</b>	<b>641,392</b>	<b>822,322</b>

**Details of the collaterals**

\* The bank borrowings are secured by corporate guarantees of a subsidiary in proportion to its equity ownerships.

There is no loan default or breach of a loan agreement that has not been remedied on or before the end of the reporting period/year.

**15. Share capital**

The Company did not issue any shares during the year. As of 31 December 2021 and 2020, the number of issued shares was 1,447,782,830, of which 51,878,300 shares were held as treasury shares.

There were no outstanding convertibles as at 31 December 2021 and 2020.

	Company			
	31/12/2021		31/12/2020	
	No of shares (‘000)	Amount Rp' million	No of shares (‘000)	Amount Rp' million
Share capital	1,447,783	10,912,411	1,447,783	10,912,411
Less: Treasury shares	(51,878)	(390,166)	(51,878)	(390,166)
Share capital excluding treasury shares	1,395,905	10,522,245	1,395,905	10,522,245

There were no sales, transfers, cancellation and/or use of treasury shares as of 31 December 2021 and 2020.

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2021 and 2020.

**16. Dividends**

There was no dividend declared and paid during the year ended 31 December 2021 (2020: nil).

## 17. *Related party transactions*

The following transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

<b>Nature of transactions</b>	<b>Period</b>	<b>A shareholder of the Group Rp' million</b>	<b>Related Companies<sup>(1)</sup> Rp' million</b>	<b>Other related parties<sup>(2)</sup> Rp' million</b>
Sales of goods	FY2021	19	5,636,745	3,028,360
	FY2020	20	4,223,123	2,049,113
Purchases of packaging materials	FY2021	-	132,860	-
	FY2020	-	127,065	-
Purchases of services, transportation equipment and spare parts	FY2021	-	5,356	79,754
	FY2020	-	5,568	83,067
Royalty fee expenses	FY2021	6,515	-	-
	FY2020	6,287	-	-
Pump service expenses	FY2021	-	-	7,782
	FY2020	-	-	7,822
Rental expenses	FY2021	-	40,785	8,381
	FY2020	-	37,292	7,837
Insurance expenses	FY2021	-	-	21,032
	FY2020	-	-	16,894
Other operating income	FY2021	-	5,011	-
	FY2020	-	8,116	-
Financial income	FY2021	-	-	14,135
	FY2020	-	-	-
Financial expenses	FY2021	-	-	28,735
	FY2020	-	-	23,935

<sup>(1)</sup> Transactions with entities under common control.

<sup>(2)</sup> Transactions with members of Salim Group and its associates.

## 18. *Impairment of non-financial assets*

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, a recent market transaction or an appropriate valuation model is used such as discounted cash flow method.



## **18. Impairment of non-financial assets (cont'd)**

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five or ten years. For longer periods, a long-term growth rate is calculated and applied to projected future cash flows after the fifth or tenth year.

Impairment losses are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting period as to whether there is any indication that previously recognised impairment losses recognised for an asset may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss for an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset previously. Such reversal is recognised in the profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment losses relating to goodwill cannot be reversed in future periods.

The Group recognised an impairment loss of Rp300.5 billion (2020: Nil) for its rubber plantation, and this was recognised as part of other operating expenses in the condensed interim consolidated statement of comprehensive income. The recoverable amount was based on FVLCD using income approach (level 3) based on the present values of the expected net future cash flows, discounted at a rate of 11.34%.

## **19. Fair value measurement**

The Group measures non-financial assets, such as biological assets, at fair value at each reporting date.

The Group categories fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

**19. Fair value measurement (cont'd)**

The following table provides the fair value hierarchy of the Group's assets and liabilities in accordance with the level of inputs to valuation techniques used to measure fair value:

	<b>Quoted prices in active markets for identical assets (Level 1) Rp' million</b>	<b>Significant other observable inputs (Level 2) Rp' million</b>	<b>Significant unobservable inputs (Level 3) Rp' million</b>
<b>As at 31 December 2021</b>			
<i>Recurring fair value measurements</i>			
Biological assets - timber plantations	-	-	328,344
Biological assets - agricultural produce	-	410,468	462,925
<b>As at 31 December 2020</b>			
<i>Recurring fair value measurements</i>			
Biological assets - timber plantations	-	-	313,453
Biological assets - agricultural produce	-	324,007	453,381
Available-for-sale financial asset at FVOCI	-	-	15,888

**20. Segment and revenue information**

The Group is organised into the following main business segments:

- Plantations segment is mainly involved in the development and maintenance of oil palm, rubber and sugar cane plantations and other business activities relating to palm oil, rubber and sugar cane processing, marketing and selling. This segment is also involved in the cultivation of cocoa, tea and industrial timber plantations.
- Edible oils and fats segment produces, markets and sells edible oil, margarine, shortening and other related products and its derivative products.

The Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period/year.

## 20.1 Business segments

The following table presents revenue and profit and certain asset and liability information regarding the Group's business segments:

<b>2H2021</b>	<b>Plantations</b> Rp' million	<b>Edible Oils and Fats</b> Rp ' million	<b>Others/ eliminations</b> Rp' million	<b>Total</b> Rp' million
Revenue				
Sales to external customers	1,890,511	8,810,431	-	10,700,942
Inter-segment sales	4,048,110	1,033	(4,049,143)	-
<b>Total sales</b>	<b>5,938,621</b>	<b>8,811,464</b>	<b>(4,049,143)</b>	<b>10,700,942</b>
Share of results of associate companies	(2,314)	-	(25,753)	(28,067)
Share of results of joint ventures	-	-	75,442	75,442
<b>Segment results</b>	<b>1,748,672</b>	<b>278,664</b>	<b>16,634</b>	<b>2,043,970</b>
Net finance costs				(268,377)
Foreign exchange loss				(3,759)
Impairment of property, plant and equipment				(313,452)
Profit before tax				1,505,757
Income tax expense				(541,005)
<b>Net profit for the period</b>				<b>964,752</b>
Other segment information:				
Capital expenditure	720,055	24,358	-	744,413
Depreciation and amortization	673,993	55,342	18,527	747,862
Gain from changes in fair value of biological assets	146,623	-	-	146,623
Changes in employee benefits	205,158	22,314	-	227,472
Impairment of property, plant and equipment	313,452	-	-	313,452
<b>2H2020</b>	<b>Plantations</b> Rp' million	<b>Edible Oils and Fats</b> Rp' million	<b>Others/ eliminations</b> Rp' million	<b>Total</b> Rp' million
Revenue				
Sales to external customers	1,696,246	5,905,860	-	7,602,106
Inter-segment sales	3,188,969	395	(3,189,364)	-
<b>Total sales</b>	<b>4,885,215</b>	<b>5,906,255</b>	<b>(3,189,364)</b>	<b>7,602,106</b>
Share of results of associate companies	(6,754)	-	(41,391)	(48,145)
Share of results of joint ventures	-	-	96,616	96,616
<b>Segment results</b>	<b>1,282,190</b>	<b>281,753</b>	<b>(52,560)</b>	<b>1,511,383</b>
Net finance costs				(313,004)
Foreign exchange gain				11,955
Impairment of property, plant and equipment				(2,580)
Profit before tax				1,256,225
Income tax expense				(517,371)
<b>Net profit for the period</b>				<b>738,854</b>
Other segment information:				
Capital expenditure	746,179	81,868	-	828,047
Depreciation and amortisation	672,706	50,108	88,258	811,072
Gain from changes in fair value of biological assets	150,080	-	-	150,080
Changes in employee benefits	(42,545)	3,711	-	(38,834)
Impairment of property, plant and equipment	2,580	-	-	2,580

**20. Segment and revenue information (cont'd)**

**20.1 Business segments (cont'd)**

FY2021	Plantations Rp' million	Edible Oils and Fats Rp ' million	Others/ eliminations Rp' million	Total Rp' million
Revenue				
Sales to external customers	3,385,333	16,273,196	-	19,658,529
Inter-segment sales	7,176,019	3,244	(7,179,263)	-
Total sales	10,561,352	16,276,440	(7,179,263)	19,658,529
Share of results of associate companies	(15,230)	-	(45,767)	(60,997)
Share of results of joint ventures	-	-	104,357	104,357
Segment results	2,667,320	476,167	(52,272)	3,091,215
Net finance costs				(560,122)
Foreign exchange loss				(2,312)
Impairment of property, plant and equipment				(313,452)
Profit before tax				2,258,689
Income tax expense				(978,802)
Net profit for the year				1,279,887
<b>As at 31 December 2021</b>				
Assets and liabilities				
Segment assets	28,909,706	4,788,595	84,499	33,782,800
Goodwill	3,211,427	-	-	3,211,427
Prepaid taxes				191,507
Deferred tax assets				398,509
Claims for tax refund				67,164
Total assets				37,651,407
Segment liabilities	3,587,630	1,188,436	(599,735)	4,176,331
Unallocated liabilities				11,133,332
Deferred tax liabilities				661,628
Income tax payable				310,103
Total liabilities				16,281,394
Other segment information:				
Capital expenditure	1,218,333	32,454	-	1,250,787
Depreciation and amortisation	1,305,027	111,420	51,730	1,468,177
Gain from changes in fair value of biological assets	112,690	-	-	112,690
Changes in employee benefits	190,528	42,488	-	233,016
Impairment of property, plant and equipment	313,452	-	-	313,452

## 20. Segment and revenue information (cont'd)

### 20.1 Business segments (cont'd)

FY2020	Plantations Rp' million	Edible Oils and Fats Rp' million	Others/ eliminations Rp' million	Total Rp' million
Revenue				
Sales to external customers	3,024,394	11,450,306	-	14,474,700
Inter-segment sales	5,432,925	814	(5,433,739)	-
Total sales	8,457,319	11,451,120	(5,433,739)	14,474,700
Share of results of associate companies	(13,686)	-	(235,638)	(249,324)
Share of results of joint ventures	-	-	126,670	126,670
Segment results	1,218,756	486,312	(55,632)	1,649,436
Net finance costs				(673,307)
Foreign exchange loss				(44,712)
Impairment of property, plant and equipment				(2,580)
Profit before tax				806,183
Income tax expense				(642,617)
Net profit for the year				163,566
<b>As at 31 December 2020</b>				
Assets and liabilities				
Segment assets	28,411,765	4,684,273	275,892	33,371,930
Goodwill	3,211,427	-	-	3,211,427
Prepaid taxes				230,281
Deferred tax assets				570,877
Claims for tax refund				105,716
Total assets				37,490,231
Segment liabilities	3,548,912	1,356,694	(681,297)	4,224,309
Unallocated liabilities				12,019,640
Deferred tax liabilities				577,167
Income tax payable				222,187
Total liabilities				17,043,303
Other segment information:				
Capital expenditure	1,381,889	106,042	-	1,487,931
Depreciation and amortisation	1,265,594	103,310	116,058	1,484,962
Gain from changes in fair value of biological assets	3,108	-	-	3,108
Changes in employee benefits	119,663	33,228	-	152,891
Impairment of property, plant and equipment	2,580	-	-	2,580

## 21. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

## Other Information Required by Listing Rule Appendix 7.2

### 1. *Audit review*

The condensed interim statement of financial position of Indofood Agri Resources Ltd. and its subsidiaries as at 31 December 2021 and the related condensed interim consolidated statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim consolidated statement of cash flows and certain explanatory notes for FY2021 have not been audited or reviewed.

### 2. *Review of performance of the Group*

#### **Financial Performance**

**Overview:** Despite the continued impact of COVID-19 on the global economy, the Group reported a strong set of results with higher revenue and profitability in 2H2021 and FY2021. 2H2021 net profit after tax grew 31% to Rp965 billion, while FY2021 grew 683% to Rp1,280 billion compared to a year ago. The significant improvement in profitability was attributable to a strong turnaround in the Plantation Division on higher selling prices of palm products (i.e. crude palm oil (CPO) up 35% and palm kernel (PK) up 64%). However, the profit improvement was partly offset by higher export levy and duty in the EOF Division, impairment and write-off of property, plant and equipment, higher provision for plasma receivables and higher income tax expenses.

CPO prices recovered strongly from a low in mid-2020 following the onset of a La Nina event that reduced CPO supply. The production shortfall was coupled with improved CPO demand and tighter supply of soft oils such as soy oil and sunflower oil. CPO prices (CIF Rotterdam) rose to an average of USD1,210 per tonne in FY2021, compared to USD719 per tonne in FY2020.

**Segment Overview:** The Plantation Division's revenue in 2H2021 and FY2021 grew by 22% and 25% respectively on the back of higher selling prices of palm products, partly offset by lower sales volume of palm products in line with lower production. Segment operating profit increased 36% to Rp1.7 trillion in 2H2021, while FY2021 grew 119% to Rp2.7 trillion compared to a year ago. The significant profit improvement was mainly attributable to higher selling prices of palm products, and partly helped by improved productivity and cost control measures.

Total nucleus FFB production declined by 8% to 2,761,000 tonnes due to lower nucleus output as a result of replanting activities and adverse weather patterns, particularly heavy rainfalls in Indonesia had an impact on harvesting activities and crop production. The CPO production decreased by 7% to 687,000 tonnes, on lower FFB nucleus and purchase from external parties.

The EOF Division achieved steady performance with higher sales volume of EOF products. The EOF Division's revenue for 2H2021 and FY2021 grew by 49% and 42% respectively on the back of higher selling prices and sales volume. Despite higher CPO purchase costs and higher export duty and levy, this Division maintained its profitability with segment operating profit of Rp476 billion in FY2021. The strong results were bolstered by strong demand growth driven by home consumption, coupled with access to Indofood's distribution network.

**Revenue:** The Group's consolidated revenue (after elimination of inter-segment sales) in 2H2021 and FY2021 increased 41% and 36% over the same periods in last year, mainly due to higher selling price of palm and EOF products, as well as higher sales volume of EOF products.

**Cost of sales:** Higher cost of sales was mainly due to higher purchase prices and volume of raw materials i.e. CPO by the EOF Division.

**Gross profit:** In 2H2021 and FY2021, the Group's gross profit improved significantly by 55% and 74% compared to the same periods last year, supported by higher selling prices and partly offset by higher CPO purchase costs by the downstream refinery operation.

## 2. *Review of performance of the Group (cont'd)*

**Selling and distribution expenses (S&D):** S&D expenses increased 49% in 2H2021 and 71% in FY2021 mainly due to higher export levy and duty related to higher export sales of stearin and by-products by the EOF Division.

**General and administration expenses (G&A):** G&A increased 20% in 2H2021 mainly due to higher salary related costs. On full year basis, G&A remained under control with a moderate increase of 5% compared to a year ago.

**Other Operating Expenses:** The significant increase of other operating expenses in FY2021 was mainly due to impairment and write-off of property, plant and equipment of Rp493 billion, as well as higher provision for plasma receivables of Rp353 billion. The higher operating expenses in 2H2021 was likewise caused by these two items.

**Foreign Exchange Loss:** The foreign exchange impacts were principally attributable to the translation of US dollar denominated loans, assets and liabilities. In FY2021, the Group recognised a foreign currency loss of Rp2 billion compared to Rp45 billion in FY2020. The decrease in foreign currency loss was mainly due to weakening of Indonesia Rupiah against US Dollar to Rp14,269/US\$ as of 31 December 2021 versus Rp14,105/US\$ as of 31 December 2020.

**Share of Results of Associate Companies:** The Group reported significant lower share of losses from its associate companies in FY2021 of Rp61 billion versus Rp249 billion in FY2020. The higher losses in FY2020 had been impacted by a recognition of Rp173 billion one-off impairment loss on assets and goodwill, and catch-up of depreciation relating to a sugar asset at Philippines.

**Share of Results of Joint Ventures:** The Group reported lower share of profit of JV in 2H2021 and in FY2021 compared to a year ago. Our JV sugar operation in Brazil recorded higher operating profit, but this was offset by higher interest expenses.

**Gain arising from Changes in Fair Values of Biological Assets:** In FY2021, the Group recorded higher gain from changes in fair value of biological assets of Rp113 billion compared to Rp3 billion in FY2020. The gain in FY2021 was mainly due to higher FFB prices compared to a year ago.

**Profit from Operations:** In 2H2021, the Group's profit from operations increased 13% to Rp1,774 billion on higher gross profit. This was offset by higher S&D expenses and higher operating expenses as explained above. On full year basis, the Group reported a strong profit from operations, increasing 91% to Rp2,819 billion over a year ago. The improved profit was mainly due to higher gross profit, lower losses from associate companies and higher gain arising from changes in fair value of biological assets. This was partly offset by higher S&D expenses and other operating expenses.

**Financial Expenses:** The Group's financial expenses decreased by 12% in 2H2021 and 15% in FY2021 mainly due to lower blended interest rate and lower outstanding loan compared to the same periods last year.

**Income Tax Expense:** The Group recognised higher income tax expenses in FY2021 mainly attributable to higher taxable income in line with the improved performance.

**Net Profit After Tax:** The Group's net profit increased 31% to Rp965 billion in 2H2021, bringing FY2021 net profit to Rp1,280 billion. This was significantly higher compared to Rp164 billion in FY2020. The increase mainly due to higher profit from operations as explained above and lower financial expenses, but partly offset by higher income tax expense. Likewise, the Group's attributable profit to owners of the Company for FY2021 came in significantly higher at Rp755 billion compared to Rp20 billion in FY2020.

## **2. Review of performance of the Group (cont'd)**

### **Review of Financial Position**

As at 31 December 2021, the Group reported total non-current assets of Rp28.1 trillion compared to Rp29.7 trillion in the previous year. The decrease was mainly due to lower property, plant and equipment arising from depreciation during the year and impairment loss recognised, lower deferred tax assets, lower carrying value of investment in joint ventures and lower plasma receivables.

The Group reported total current assets of Rp9.5 trillion as at December 2021 compared to Rp7.8 trillion in the previous year. This was mainly due to significantly higher cash level arising from improved operating cash flows, higher trade receivables, and higher advances for the purchase of raw materials.

The Group's current liabilities increased to Rp10.0 trillion from Rp9.2 trillion in the previous year. This was mainly due to higher current maturities of long-term loans and borrowings, as well as higher advances and other payables, and higher income tax payable. The Group reported lower net current liabilities of Rp0.4 trillion as at 31 December 2021 compared to Rp1.4 trillion a year ago mainly due to higher cash.

The Group's non-current liabilities decreased to Rp6.3 trillion from Rp7.8 trillion as at December 2020. The decrease mainly due to the reclassification of current maturities of long-term loans and borrowings to current liabilities.

The Group's net debt-to-equity ratio decreased to 0.31 times as at 31 December 2021, due to the combined effects of higher cash and lower gross debts, as compared to 0.44 times in the prior year.

### **Review of Cash Flows**

The Group generated higher net cash flows of Rp3.8 trillion from operations compared to Rp2.5 trillion in 2020, largely due to improved operational results.

Net cash flow in investment activities was Rp1.3 trillion as compared with Rp1.6 trillion in FY2020, due to lower additions of property, plants and equipment. Higher net cash outflow in financing activities of Rp1.1 trillion compared to Rp0.3 trillion in FY2020 was mainly due to the repayment of loans.

Overall, the effects of higher cash flows from operations and lower additions of property, plants and equipment have raised the Group's cash level to Rp3.8 trillion from Rp2.5 trillion in 2020.

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

Not applicable.



**4. 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 operating period and the next 12 months**

The global recovery continues even as the pandemic resurges, but uncertainty has increased due to geopolitical risks, supply chain disruptions and worsening pandemic dynamics, coupled with erratic weather patterns. This will continue to have an impact on crop production and commodity prices. In addition, we expect global vegetable oil prices to be underpinned by demand growth, biodiesel mandates and the slowdown in supply growth, especially palm oil.

We expect commodity prices to remain volatile amid the uncertainties in global developments. We will continue to prioritise our capital investment on the replanting of older oil palm trees in Riau and North Sumatra, and on critical infrastructure. Other initiatives would include improving FFB yields through active crop management and improvements in fertiliser application through nutrient analysis, and pursuing relevant innovations and mechanisation to raise plantation productivity. We will continue to focus on cost control improvements and drive greater efficiency through digitalisation and streamlining of work processes.

An expansion programme for our main CPO refinery in Tanjung Priok is now underway, with completion scheduled for 2023. The boost in EOF production capacity would enable us to better capture the growing domestic demand and new opportunities. We will continue to rejuvenate the formats and packaging designs of our cooking oils to cater to evolving consumer needs. The current distribution system will be complemented by various digital and e-commerce platforms to increase market reach and penetration.

**5. Dividends**

**5a. If a decision regarding dividend has been made.**

*(a) Current Financial Period Reported On - any dividend recommended for the current financial year reported on?*

Yes.

Name of dividend	Final dividend
Dividend type	Cash
Dividend amount per share	0.8 Singapore cent
Tax rate	Tax-exempt, one-tier

*(b) Any dividend declared for the previous corresponding period?*

No dividend has been declared for the financial year ended 31 December 2020.

*(c) Date Payable*

The payment of dividend will be subject to the approval by shareholders at the forthcoming Annual General Meeting to be convened on 27 April 2022, and will be paid on 20 May 2022.

*(d) Books Closure Date*

The Share Transfer Books and Register of Members of Indofood Agri Resources Ltd will be closed at 5.00 p.m. on 9 May 2022 for the purpose of determining shareholders' entitlements to a final (tax exempt one-tier) dividend.

Duly completed and stamped registrable transfers received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-03/07, Singapore 098632 up to 5.00 p.m. on 9 May 2022 will be registered to determine shareholders' entitlements to the proposed final dividend. Members whose securities accounts with The Central Depository (Pte) Limited are credited with shares as at 5.00 p.m. on 9 May 2022 will be entitled to the dividend.

**5b. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

Not applicable.

**6. Disclosure of the aggregate value of the transactions conducted under the shareholders' mandate for interested person transaction Rule 920(1)(a)(ii) of the Listing Manual.**

The Group has the following the interest person transactions ("IPT") for FY2021:

Name of Interested Person	Aggregate value of all IPT during the financial period under review (excluding transactions less than \$100,000 and IPT conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPT conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	Rp 'billion	Rp 'billion
<b>PT ISM Group</b>		
<ul style="list-style-type: none"> <li>• Sales of cooking oil, margarine and others</li> <li>• Purchase of goods, services and assets</li> </ul>	<ul style="list-style-type: none"> <li>-</li> <li>-</li> </ul>	<ul style="list-style-type: none"> <li>5,642</li> <li>184</li> </ul>
<b>Salim Group</b>		
<ul style="list-style-type: none"> <li>• Sales of cooking oil, seeds and material</li> <li>• Purchases of goods and services</li> <li>• Shareholder loans</li> <li>• Corporate guarantees</li> <li>• PT SIMP subscribed new shares in PT Mentari Subur Abadi</li> </ul>	<ul style="list-style-type: none"> <li>-</li> <li>-</li> <li>-</li> <li>-</li> <li>807</li> </ul>	<ul style="list-style-type: none"> <li>3,028</li> <li>408</li> <li>1,627</li> <li>1,834</li> <li>-</li> </ul>

**7. Confirmation that the issuer has procured undertaking from all its directors and executive officers under Rule 720(1)**

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

**8. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that no persons occupying managerial positions in the Company or any of its principal subsidiaries who are a relative of a director or Chief Executive Officer or substantial shareholder of the Company.

BY THE ORDER OF THE BOARD

Mark Julian Wakeford  
Chief Executive Officer and Executive Director

1<sup>st</sup> March 2022