



## Press Release

### Global Palm posts EBITDA of Rp2.1 billion in 3Q2019

- CPO average selling prices decreased 7% from Rp6,724/kg in 3Q2018 to Rp6,238/kg in 3Q2019
- CPO sales volume increased 33% from 9,006 tonnes in 3Q2018 to 12,004 tonnes in 3Q2019
- PK average selling prices decreased 33% from Rp4,225/kg in 3Q2018 to Rp2,845/kg in 3Q2019
- PK sales volume increased 212% from 1,000 tonnes in 3Q2018 to 3,116 tonnes in 3Q2019

Financial highlights for the period ended 30 September:

Rp'bil	3Q2019	3Q2018	% Chg	9M2019	9M2018	% Chg
Revenue	83.8	64.8	+29	206.5	245.3	(16)
Gross profit/(loss)	4.9	7.1	(31)	(1.0)	35.8	n.m.
Gross profit margin (%)	5.8	10.9	(5.1 % pts)	(0.5)	14.6	(15.1 % pts)
<b>EBITDA</b>	<b>2.1</b>	<b>0.7</b>	<b>+193</b>	<b>(13.2)</b>	<b>11.7</b>	n.m.
(Loss)/profit before income tax	(1.5)	(2.3)	(36)	(22.8)	3.7	n.m.
<b>Net (loss)/profit attributable to equity holders</b>	<b>(1.3)</b>	<b>(2.9)</b>	<b>(54)</b>	<b>(22.2)</b>	<b>0.3</b>	<b>n.m.</b>

**SINGAPORE – 14 November 2019** – Mainboard-listed palm-oil producer **Global Palm Resources Holdings Limited (环球资源控股有限公司)** (“Global Palm”, together with its subsidiaries, “the Group”) today reported a net loss attributable to shareholders of Rp1.3 billion for the quarter ended 30 September 2019 (“3Q2019”).

The Group’s revenue increased 29% to Rp83.8 billion in 3Q2019 from Rp64.8 billion in 3Q2018, mainly due to higher crude palm oil (“CPO”) and palm kernel (“PK”) sales volume, offset by lower CPO and PK average selling prices. The Group gross profit decreased 31% from Rp7.1 billion in 3Q2018 to Rp4.9 billion in 3Q2019. Gross profit margin decreased 5.1% points from 10.9% in 3Q2018 to 5.8% in 3Q2019.

**Average Selling Prices and Tonnage Sales**

Average selling price of CPO decreased from Rp6,724/kg in 3Q2018 to Rp6,238/kg in 3Q2019. Average selling price of PK decreased from Rp4,225/kg in 3Q2018 to Rp2,845/kg in 3Q2019. CPO sales volume increased 2,998 tonnes from 9,006 tonnes in 3Q2018 to 12,004 tonnes in 3Q2019. PK sales volume increased 2,116 tons from 1,000 tons in 3Q2018 to 3,116 tonnes in 3Q2019.

**Operational Performance**

As of 30 September 2019, the Group's total planted area (nucleus and plasma) totaled 13,176 ha, of which 75.5% or 9,950 ha comprise mature oil palm trees.

The Group's CPO extraction rate improved from 21.58% in 3Q2018 to 22.32% in 3Q2019. PK extraction rate has also improved from 3.96% in 3Q2018 to 4.43% in 3Q2019.

*Production statistics:*

<b>Production Output (Tonnes)</b>	<b>3Q2019</b>	<b>3Q2018</b>	<b>Var %</b>	<b>9M2019</b>	<b>9M2018</b>	<b>Var %</b>
CPO	9,611	13,135	(27)	26,070	36,549	(29)
Palm kernels	1,906	2,410	(21)	5,122	6,459	(21)

**Outlook and future plans**

CPO prices have increased by about 45% from its recent low, supported by less than anticipated increases in supply and a significant increase in demand in 2020, as Indonesia implements the B30 mandatory biodiesel policy. This new supply and demand conditions are expected to have a positive impact on CPO prices in 2020.

The replanting of older palm trees with newer breed of higher yielding palm trees is ongoing to ensure long-term sustainability for the Group. We expect production of CPO and kernel to drop for the next few years due to the replanting program. The management expects to see higher yield per hectare when the replanted palm trees reach maturity. This together with the management continuous efforts to increase productivity, should result in a positive sustainable future for the Group.

Dr Suparno Adijanto (陳洪傑), Executive Chairman and CEO said, “CPO prices are expected to improve slightly in the coming quarters with expectations of tightening supplies and strong demand led by biodiesel consumption. However, we remain mindful of the volatility of CPO prices amidst the uncertainty of the global economy and abnormal weather’s affect on market dynamics. In the long-term, the Group continues on its replanting strategy and costs-saving efforts to ensure sustainability.”

**Segment Review**

	3Q2019	3Q2018	% Chg	9M2019	9M2018	% Chg
<b>Revenue (Rp' bil)</b>						
CPO	74.9	60.6	+24	183.9	218.6	(16)
Palm Kernels	8.9	4.2	+110	22.6	26.7	(15)
<b>Sales Volume (tons)</b>						
CPO	12,004	9,006	+33	29,016	30,018	(3)
Palm Kernels	3,116	1,000	+212	7,371	5,000	+47
<b>Ave. Selling Price* (Rp/kg)</b>						
CPO	6,238	6,724	(7)	6,337	7,283	(13)
Palm Kernels	2,845	4,225	(33)	3,065	5,344	(43)

\* The Group’s CPO selling prices are determined with reference to international prices of CPO trading on Bursa Malaysia Derivatives Berhad in Kuala Lumpur, and published CPO tender prices of other major Indonesian CPO producers.

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The conversion rate is S\$1: Rp10,258 for 3Q2019 and S\$1: Rp10,919 for 3Q2018



## GLOBAL PALM RESOURCES HOLDINGS LIMITED

### ***About Global Palm Resources Holdings Limited***

*Founded by the Adijanto family, who has various business interests in this region, including coal mining, production of formalin-based chemicals and timber businesses, Global Palm's operating subsidiary PT Prakarsa Tani Sejati commenced the palm oil business in October 1991 in West Kalimantan, Indonesia where the climate and soil conditions are suitable for oil palm cultivation. Today, Global Palm is engaged in the cultivation of oil palms, harvesting of the fresh fruit bunches (FFB) and processing them, together with purchased FFB, into crude palm oil (CPO) and palm kernels.*

### ***Strong focus on Corporate Social Responsibility and Sustainability***

*The Group is also committed to improving the quality of life of the local communities in the area it operates as part of its corporate social responsibility, contributing in the areas of education, social, and cultural welfare, as well as helping to improve living conditions of the local communities. Beyond creating employment opportunities for local communities in its oil palm plantation, it also partners with surrounding small landholders in the development of small oil palm plantations, under its Plasma Programme.*

*Another area of focus for Global Palm is its commitment to sustainable development of its business, with the view to conserve and preserve the natural environment. It adopts a "zero burning" policy, using chain saws and machinery rather than fire to clear land for oil palm cultivation and is continuously working towards "zero waste management" on its CPO production waste. On 26 May 2010, the Group became a member of the Roundtable of Sustainable Palm Oil, a not-for-profit association which promotes the production and use of palm oil in a sustainable manner.*

*For more information, please visit our website at: <http://www.gprholdings.com>.*