

Global Palm Resources Holdings Limited  
4Q2018/FY2018 Results

March 2019



Benefiting people  
and the planet



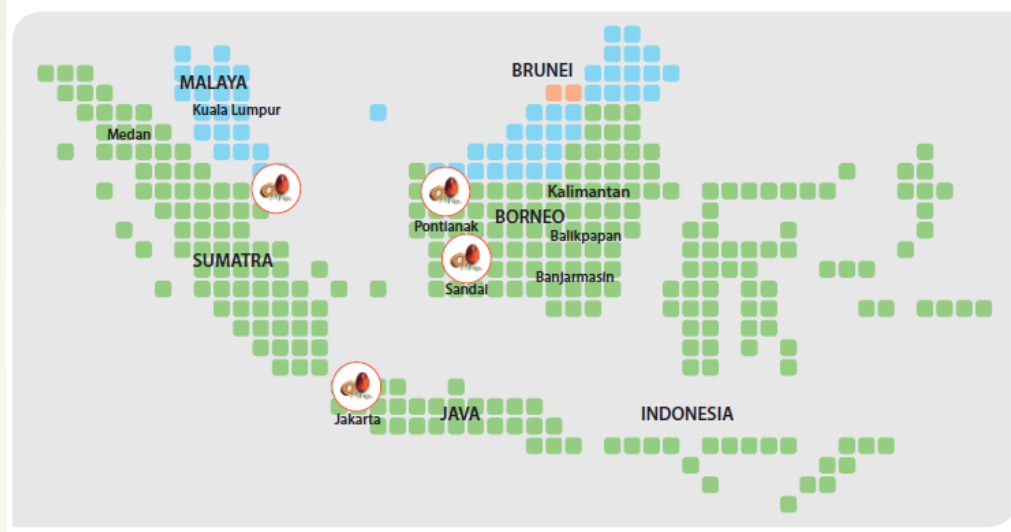
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# A palm oil producer in Indonesia



## Plantation (Cultivation)

In West Kalimantan, Indonesia

### As at 31 December 2018:

Total land bank: 16,079 ha

Cultivated land: 13,300 ha

Mature<sup>(1)</sup> area: 11,054 ha

Avg FFB yield: 16.6 tons/ha

<sup>(1)</sup> Mature: Oil palms > 3 years old

## Mill (FFB Processing)

Process Fresh Fruit Bunches (FFB) harvested from Nucleus; purchased from Plasma farmers and from other nearby plantations

### FFB processing capability:

-60 tons/hr

-360,000 tons/yr

-FY2018: 217,376 tons processed

## Products

### Crude Palm Oil (CPO)

Customers: Indonesian palm oil refineries and palm oil bulking facilities; commodity traders  
FY2018: 46,325 tons

### Palm Kernel (PK)

Customers: Indonesian palm kernel processing plants  
FY2018: 6,501 tons

# Executive Summary – FY2018

## Financial performance

- ▶ Revenue decreased 26% to Rp338.6 billion.
- ▶ Gross profit decreased 72% to Rp30.7 billion.
- ▶ Gross profit margin decreased by 15.1% point to 9.1%.

## Production statistics

- ▶ FFB processed decreased 6% to 217,376 tons.
- ▶ FFB yield decreased 6% to 16.6 tons/ha.
- ▶ CPO production decreased 6% to 47,135 tons.
- ▶ PK production increased 4% to 8,526 tons.
- ▶ CPO extraction rate improved 0.16% point to 21.68%.
- ▶ PK extraction rate improved 0.40% point to 3.92%.

## Plantation

- ▶ 83.1% of our palm in mature production stage.
- ▶ 2,779 ha available for future cultivation.

*To expand our operations via organic growth and acquisitions*



# Income Statement Highlights

Indonesian Rupiah (Billions)	4Q2018	4Q2017 (Restated)	Var %	FY2018	FY2017 (Restated)	Var %
Revenue	93.3	105.7	(12)	338.6	460.3	(26)
Gross profit/(loss) (GP)	(5.1)	22.7	n.m.	30.7	111.3	(72)
(Loss)/profit before tax	(8.2)	1.8	n.m.	(4.5)	69.9	n.m.
Net (loss)/profit for the period/year	(8.2)	(3.6)	+125	(7.5)	45.6	n.m.
(Loss)/profit attributable to shareholders	(7.7)	(3.9)	+97	(7.4)	42.7	n.m.
EBITDA	(12.1)	4.7	n.m.	(0.5)	78.4	n.m.
GP margin (%)	(5.5)	(21.5)	(27.0 % pts)	9.1	24.2	(15.1 % pts)
NP margin (%)	(8.4)	(3.4)	5.0 % pts	(2.2)	9.9	n.m.
EBITDA margin (%)	(8.8)	4.4	n.m.	(0.1)	17.0	n.m.

# Segment Review

	4Q2018	4Q2017	Var %	FY2018	FY2017	Var %
<b>Sales volume (tons)</b>						
CPO	16,307	11,507	(42)	46,325	51,825	(11)
Palm kernels	1,500	2,000	(25)	6,501	8,003	(19)
<b>Ave. Selling Price (Rp/kg)</b>						
CPO	5,368	7,977	(33)	6,609	8,009	(17)
Palm kernels	3,806	6,979	(45)	4,988	5,646	(12)
<b>Revenue (Rp' billion)</b>						
CPO	87.5	91.8	(5)	306.2	415.1	(26)
Palm kernels	5.7	14.0	(59)	32.4	45.2	(28)

# Financial Position Highlights

Indonesian Rupiah (Billions)	31 Dec 18	31 Dec 17	Var (%)
Total assets	724.7	756.5	(4)
Total liabilities	(71.9)	(98.6)	(27)
Current ratio (times)	12.9	8.9	+46
Net Gearing (%)	n.m.	n.m.	n.m.

# Cash Flow Statement Highlights

Indonesian Rupiah (Billions)	4Q2018	4Q2017	FY2018	FY2017
Net cash (used in)/from operating activities	(8.0)	2.0	(58.3)	89.0
Net cash used in investing activities	(4.1)	(19.7)	(26.0)	(29.6)
Net cash used in financing activities	(0.07)	(1.5)	(23.0)	(69.1)
Cash on hand and in banks at the beginning of the period/year	308.7	397.0	382.8	372.9
Effects of currency translation on cash and cash equivalents	(7.4)	5.1	13.6	19.6
Cash on hand and in banks at the end of the period/year	289.1	382.8	289.1	382.8
Net change in cash on hand and in banks	(12.2)	(19.2)	(107.3)	(9.7)

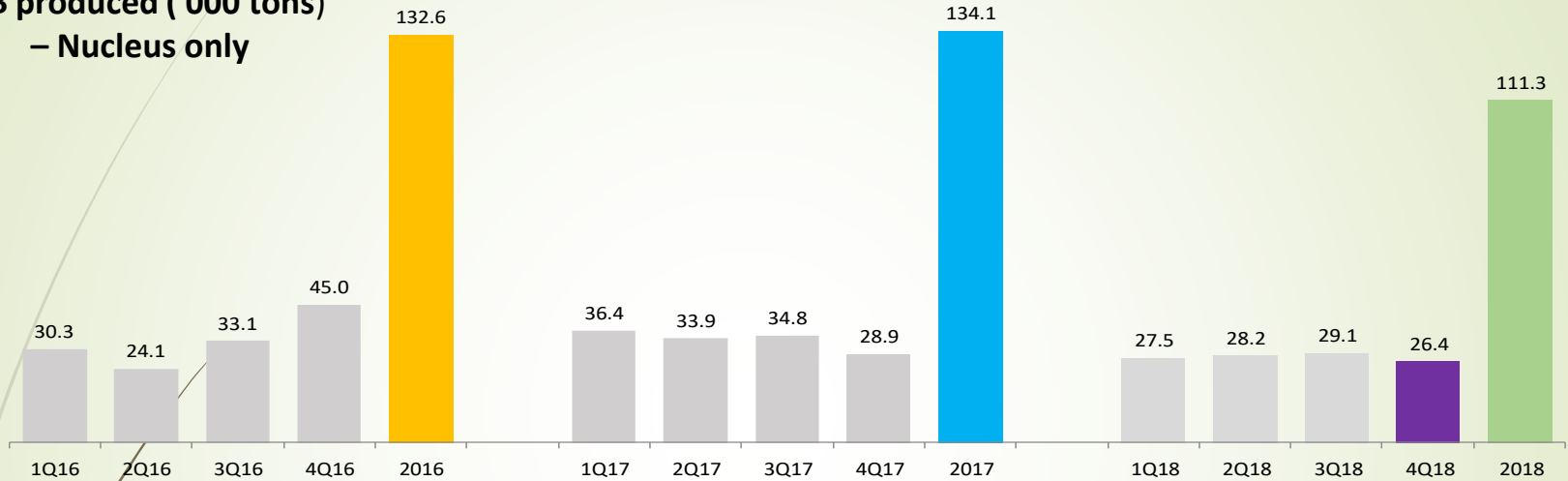


# Production Highlights

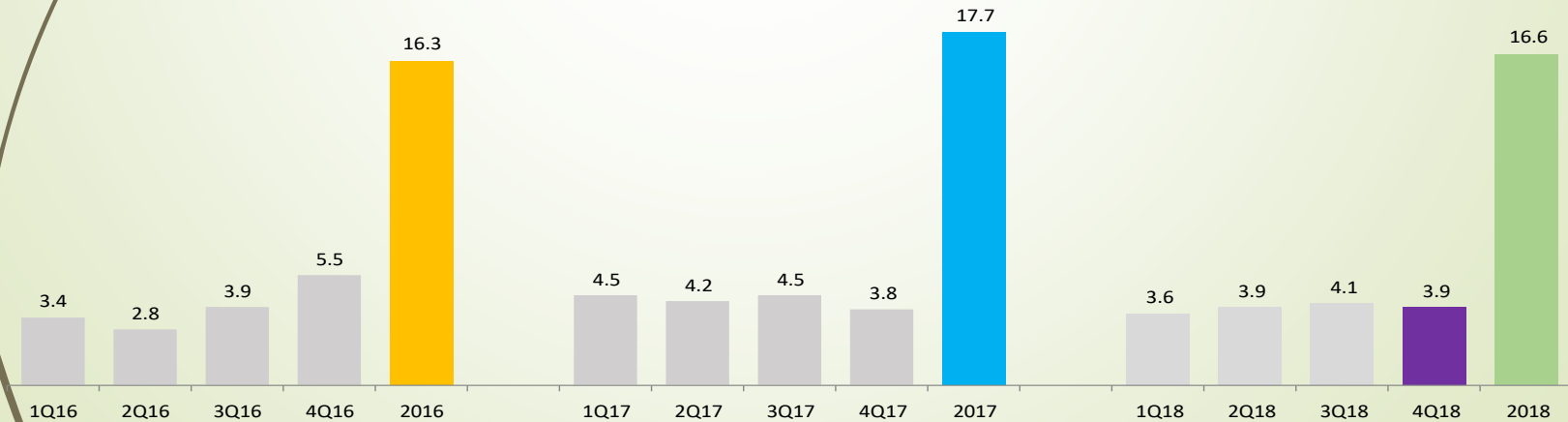


# Production Output

**FFB produced ('000 tons)  
– Nucleus only**



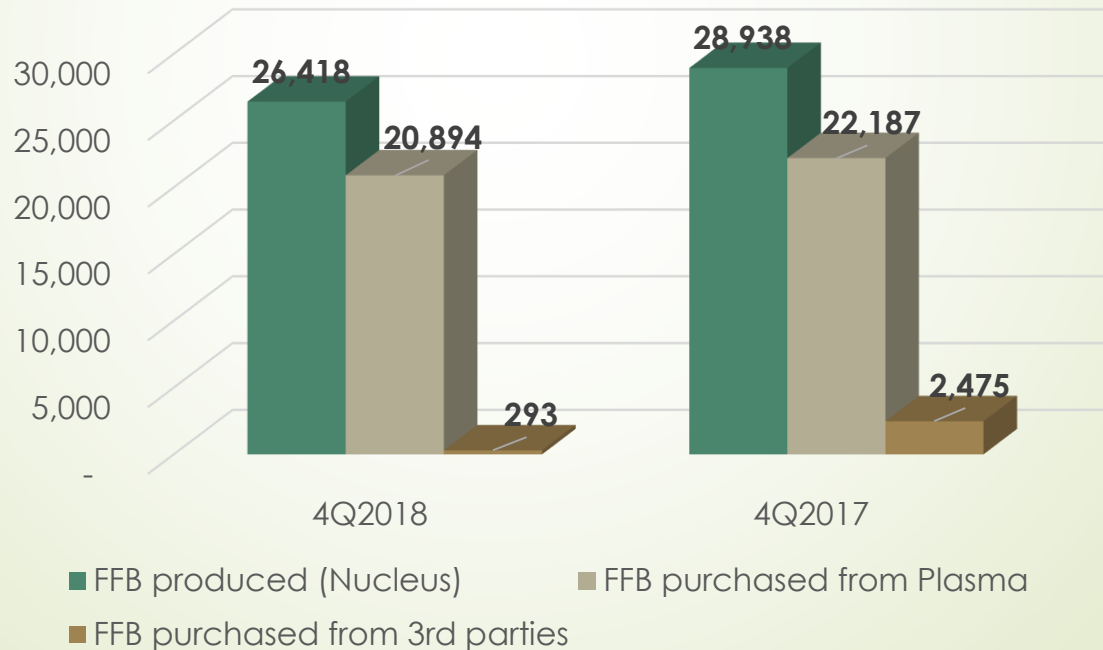
**FFB yield (tons/ha)  
- Nucleus only**



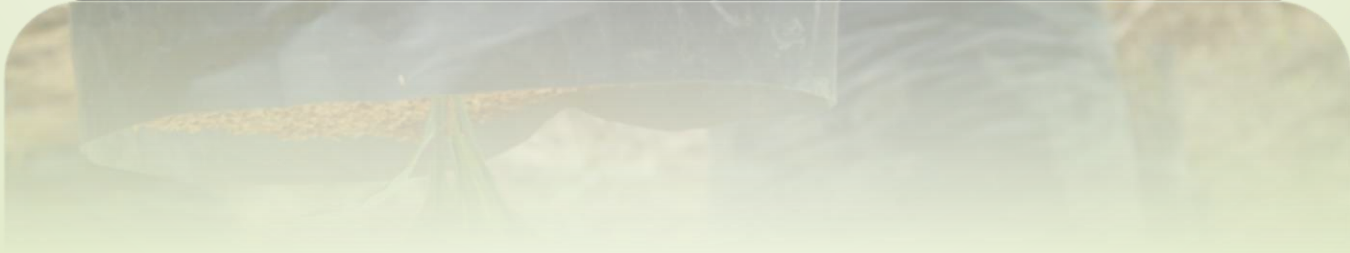
# Production Statistics

Production Output (Tons)	4Q2018	4Q2017	Var %	FY2018	FY2017	Var %
CPO	10,586	11,737	(10)	47,135	50,034	(6)
Palm kernels	2,067	2,162	(4)	8,526	8,172	+4

## FFB Output (Tons)



# Plantation Statistics





# Plantation statistics

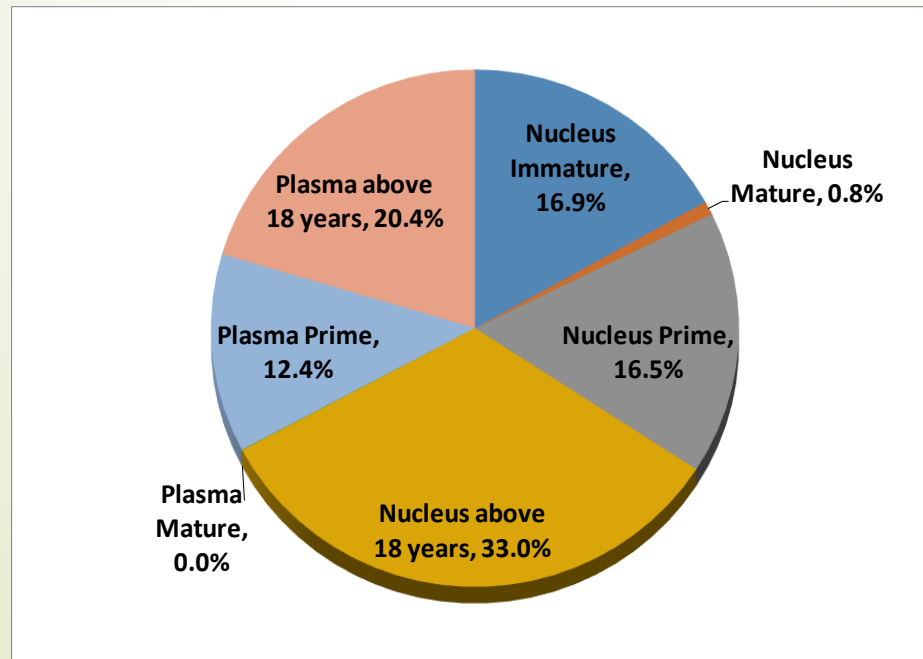
	<b>FY2018</b>	<b>% of total</b>	<b>FY2017</b>	<b>% of total</b>
<b>Total Planted Area (ha)</b>	<b>13,300</b>	<b>100%</b>	<b>13,420</b>	<b>100%</b>
Mature	11,054	83.1%	11,925	88.9 %
Immature	2,246	16.9%	1,495	11.1%

- **Total land bank 16,079 ha**
- **2,779 ha available for future cultivation**



# Age Profile @ 31 December 2018

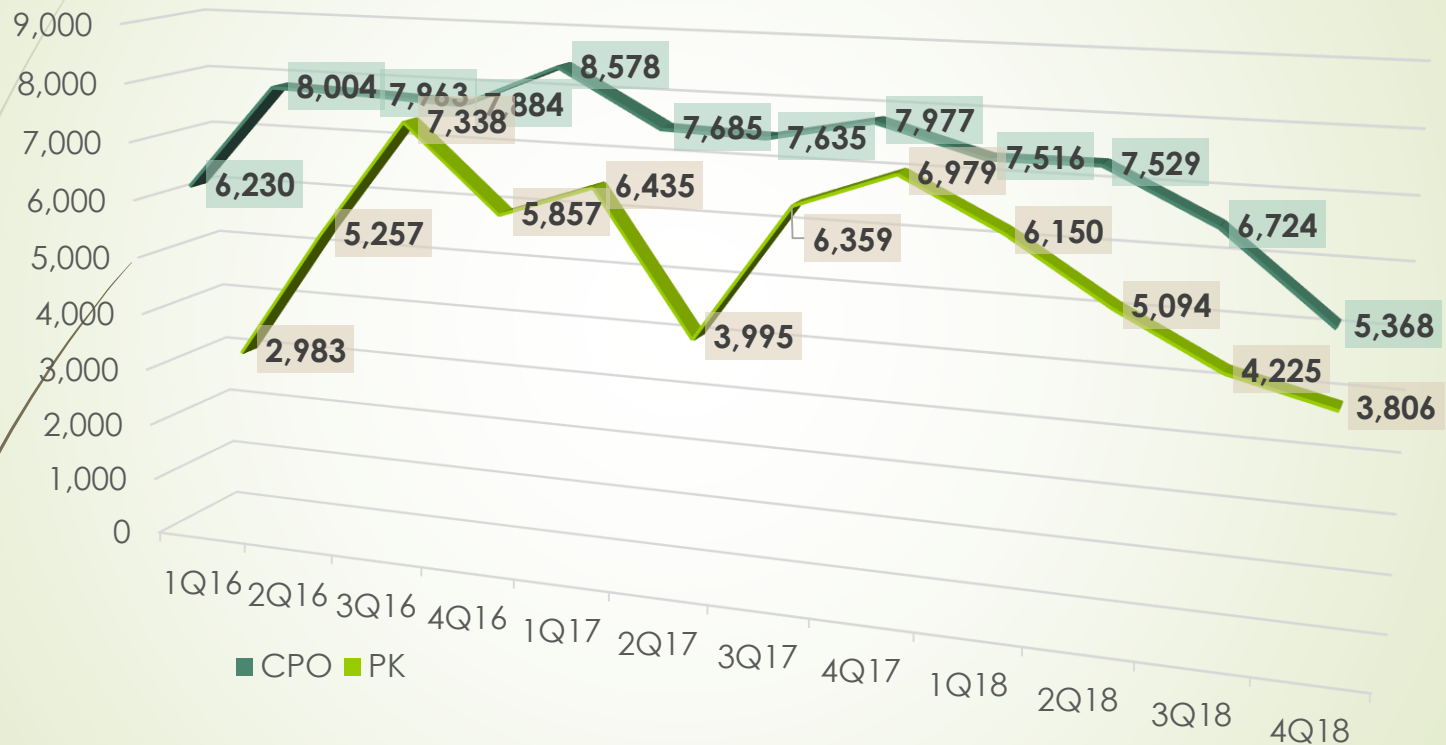
Area cultivated	First 3 years (Immature)	4 - 6 years (Mature)	7 - 18 years (Prime)	Above 18 years	Total
Nucleus (ha)	2,246	112	2,189	4,388	8,935
Plasma (ha)	0	5	1,650	2,710	4,365
Total (ha)	2,246	117	3,839	7,098	13,300
% of cultivated area	16.9%	0.9%	28.9%	53.3%	100.0%



# Industry Outlook and Business Strategies



# Average Selling Prices (Rp/Kg)



- We expect CPO prices to be volatile given the uncertainty of the global economy and abnormal weather's impact on market dynamics

# Strategies And Future Plans

## Expansion

### **Develop uncultivated land bank**

- Land location permit obtained for 3,460 ha of land in sub-districts of Ngabang and Jelimpo, both located in Landak Regency, West Kalimantan.

### **Actively pursue potential acquisitions targets**

- The Group has entered into a conditional sales and purchase agreement for the acquisition of PT Bumi Raya Agro, which holds a location permit to approximately 10,100 ha of oil palm plantation. The acquisition is subject to the fulfillment of conditions such as the conduct of legal and financial due diligence on PT Bumi Raya Agro as well as approvals required by the Indonesian authorities.
- The Company has the option to acquire PT Cemar, an Indonesian-incorporated company which holds Hak Guna Usaha to approximately 6,429 ha of oil palm plantation land in the Landak Regency in West Kalimantan. The acquisition is subject to the fulfillment of conditions such as the conduct of legal and financial due diligence on PT Cemar as well as approvals required by the Indonesian authorities.

## Optimisation

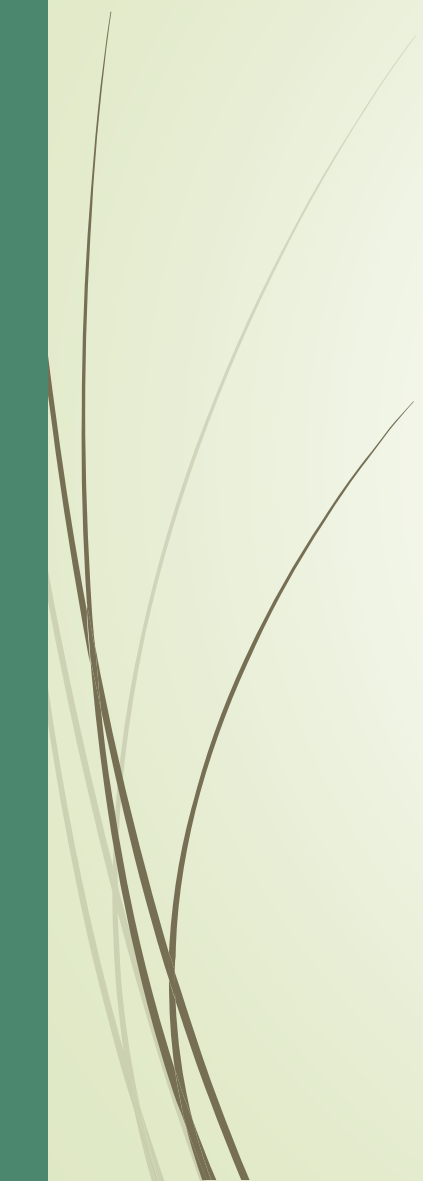

### **Co-Composting plant**

- Yielding cost savings from use of organic compost fertilisers from our plantation's EFB and POME

### **Increase yield**

- From plantation
- From mill

### **Continue to exercise prudence in expenditures**



Thank you  
Q&A session