



**Global Palm Resources  
Holdings Limited  
3Q2017/9M2017 Results**

**November 2017**

# A palm oil producer in Indonesia



## Plantation (Cultivation)

In West Kalimantan, Indonesia

### As at 30 September 2017:

Total land bank: 16,079 ha

Cultivated land: 13,252 ha

Mature<sup>(1)</sup> area: 12,069 ha

Avg FFB yield: 13.6 tons/ha

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

## Mill (FFB Processing)

Process FFB harvested from Nucleus; purchased from Plasma farmers and from other nearby plantations

### FFB processing capability:

-60 tons/hr

-360,000 tons/yr

-9M2017: 179,198 tons processed

## Products

### Crude Palm Oil (CPO)

Customers: Indonesian palm oil refineries and palm oil bulking facilities; commodity traders  
9M2017: 38,297 tons

### Palm Kernel (PK)

Customers: Indonesian palm kernel processing plants  
9M2017: 6,010 tons

# Salient Highlights for 3Q2017



## Financial performance

- EBITDA at Rp18.7 billion
- Revenue increased 49% to Rp105.7 billion:
  - CPO sales revenue increased 56% to Rp99.3 billion mainly contributed by increase in CPO sales volume of 5,002 tons and offset by lower CPO average selling price
  - PK sales revenue decreased 14% to Rp6.4 billion mainly from lower PK average selling price and decrease in PK sales volume of 7 tons
  - Cost of sales increased 61% to Rp78.3 billion mainly due to higher sales volume of CPO
  - Gross profit increased 22% to Rp27.3 billion
  - Gross profit margin decreased 5.5% point to 25.9%

## Production statistics

- Extraction rates for CPO remained stable at 21.73% and PK remained stable at 3.46%
- FFB yield increased to 4.5 tons/ha in 3Q2017 from 3.9 tons/ha in 3Q2016
- CPO production increased to 12,903 tons in 3Q2017 from 11,279 tons in 3Q2016
- PK production increased to 2,005 tons in 3Q2017 from 1,848 tons in 3Q2016

## Plantation

- 91.1% of our palm in mature production stage
- 2,827 ha available for future cultivation

**To expand our operations via organic growth and acquisitions**

# P&L Highlights



Indonesian Rupiah (Billions)	3Q2017	3Q2016	Var %	9M2017	9M2016	Var %
Revenue	105.7	71.1	+49	354.5	263.6	+35
Gross profit (GP)	27.3	22.3	+22	88.6	58.4	+52
Profit before tax	16.5	26.0	(36)	68.0	44.9	+52
Net profit for the period	11.7	20.8	(44)	49.3	35.5	+39
Profit attributable to shareholders	10.8	20.0	(46)	46.6	34.1	+37
EBITDA	18.7	25.0	(25)	73.7	43.0	+72
GP margin (%)	25.9	31.4	(5.5 % pts)	25.0	22.2	+2.8 % pts
NP margin (%)	11.1	29.2	(18.1 % pts)	13.9	13.5	(0.4) % pts
EBITDA margin (%)	17.7	35.1	(17.4 % pts)	20.8	16.3	+4.5 % pts

# Segment Review



	3Q2017	3Q2016	Var %	9M2017	9M2016	Var %
<b>Sales volume (tons)</b>						
CPO	13,006	8,004	+63	40,318	32,168	+25
Palm kernels	1,000	1,007	(1)	6,003	6,032	n.m.
<b>Ave. Selling Price (Rp/kg)</b>						
CPO	7,635	7,963	(4)	8,019	7,285	+10
Palm kernels	6,359	7,338	(13)	5,202	4,847	+7
<b>Revenue (Rp' billion)</b>						
CPO	99.3	63.7	+56	323.3	234.3	+38
Palm kernels	6.4	7.4	(14)	31.2	29.2	+7

# Balance Sheet Highlights



<b>Indonesian Rupiah (Billions)</b>	<b>30 Sep 17</b>	<b>31 Dec 16</b>	<b>Var (%)</b>
Total assets	764.0	764.2	n.m.
Total liabilities	(103.0)	(108.0)	(4.7)
Current ratio (times)	7.0	7.2	+2.0
Net Gearing (%)	n.m.	n.m.	n.m.

# Cash Flow Statement Highlights



Indonesian Rupiah (Billions)	3Q2017	3Q2016	9M2017	9M2016
Net cash from operating activities	26.8	33.5	87.0	79.6
Net cash used in investing activities	(9.7)	(3.2)	(9.9)	(15.0)
Net cash used in financing activities	(4.0)	(2.6)	(67.5)	(14.2)
Cash on hand and in banks at the beginning of the period	374.9	338.1	372.9	319.5
Effects of currency translation on cash and cash equivalents	9.0	(4.2)	14.5	(8.3)
Cash on hand and in banks at the end of the period	397.0	361.7	397.0	361.7
Net change in cash on hand and in banks	13.1	27.7	9.5	50.4

# Production Highlights

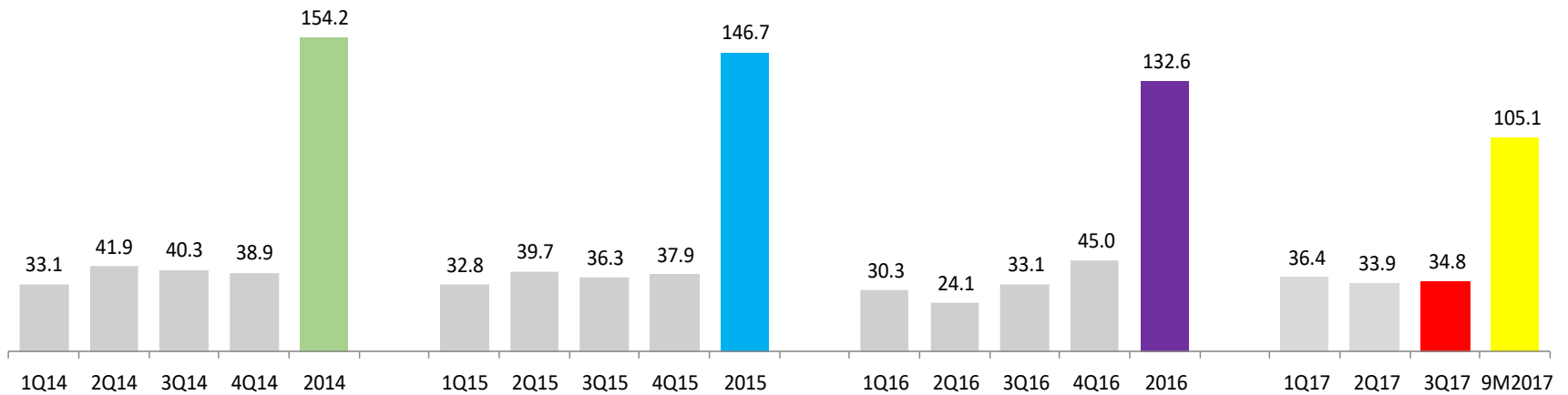




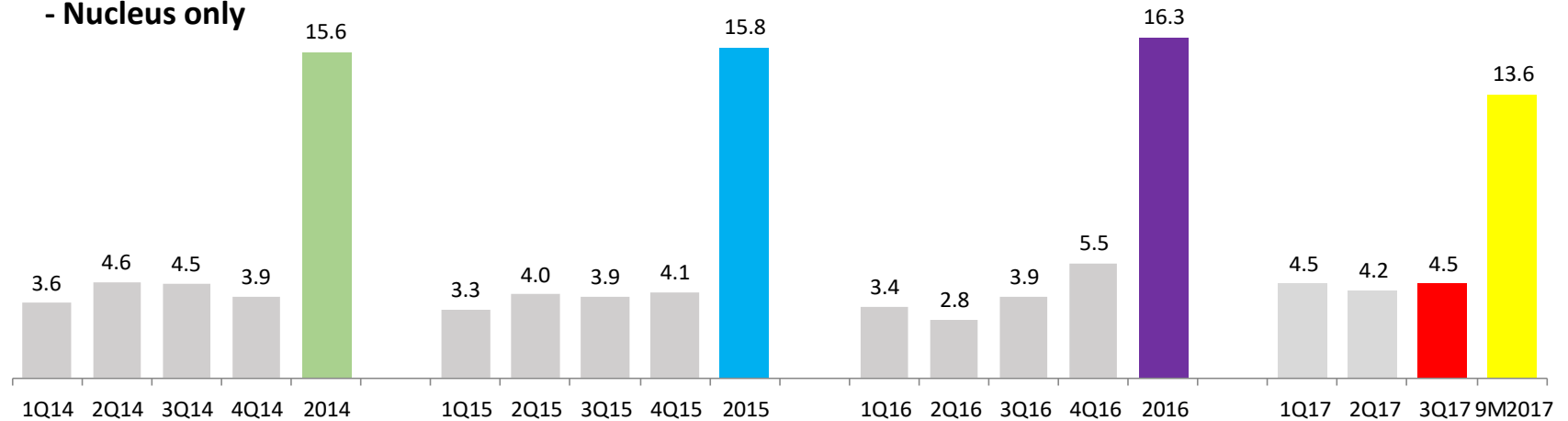
# Production Output



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



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

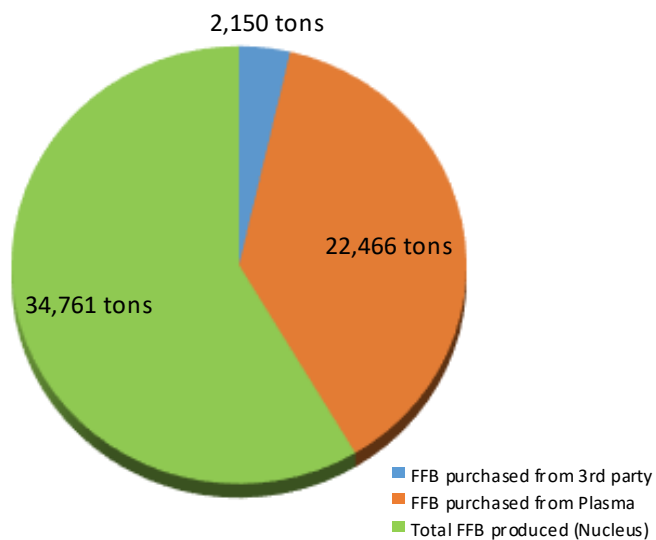


# Production Statistics

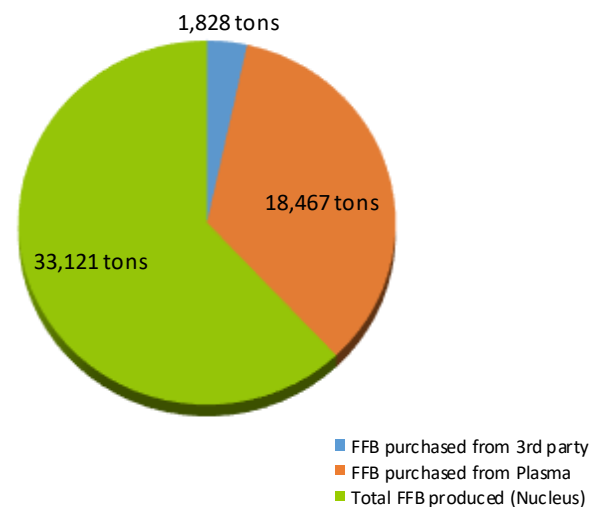


Production Output (Tons)	3Q2017	3Q2016	Var %	9M2017	9M2016	Var %
CPO	12,903	11,279	+14	38,297	30,479	+26
Palm kernels	2,055	1,848	+11	6,010	5,181	+16

## 3Q2017



## 3Q2016



# Plantation Statistics



# Plantation statistics

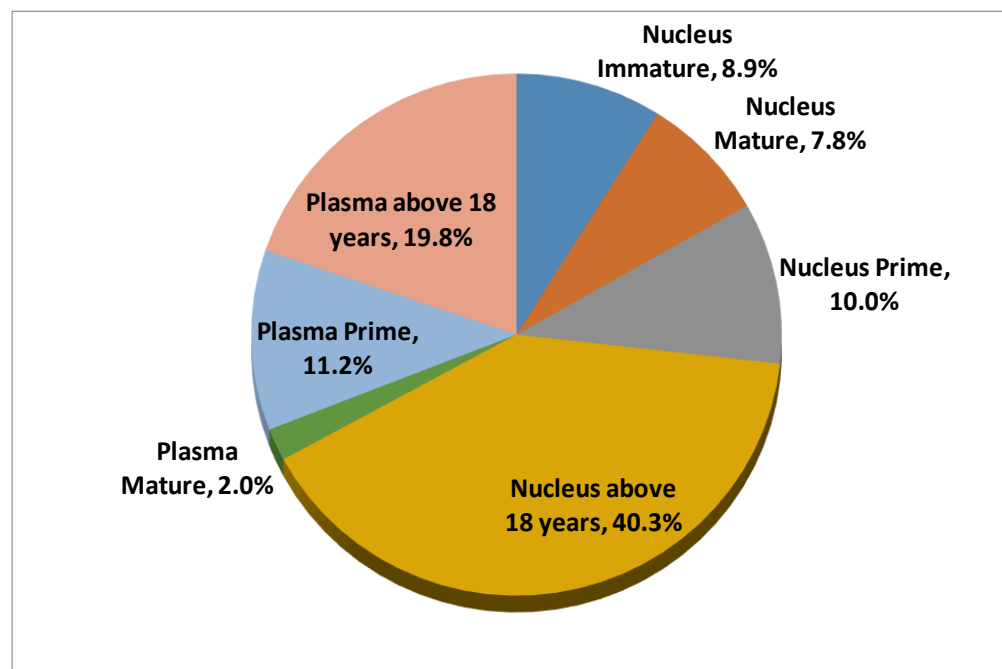


	9M2017	% of total	9M2016	% of total
<b>Total Planted Area (ha)</b>	<b>13,252</b>	<b>100%</b>	<b>13,536</b>	<b>100%</b>
Mature	12,069	91.1%	12,755	94.2%
Immature	1,183	8.9%	781	5.8%

- **Total land bank 16,079 ha**
- **2,827 ha available for future cultivation**

# Age Profile @ 30 September 2017

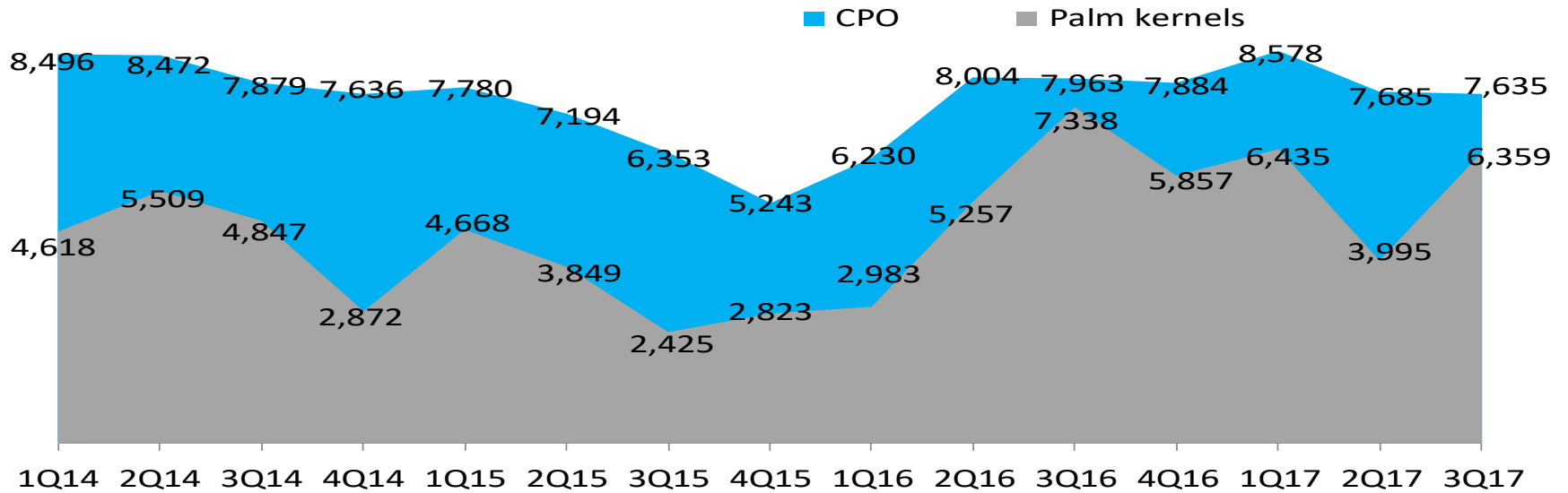
Area cultivated	First 3 years (Immature)	4 - 6 years (Mature)	7 - 18 years (Prime)	Above 18 years	Total
Nucleus (ha)	1,183	1,038	1,328	5,340	8,889
Plasma (ha)	0	265	1,480	2,619	4,364
Total (ha)	1,183	1,303	2,808	7,959	13,253
% of cultivated area	8.9%	9.8%	21.2%	60.1%	100.0%





## 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 6,546 ha of land in West Kalimantan

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

## 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**



