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**SECOND QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT**


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**PART I INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3),  
HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**
**UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT FOR THE FINANCIAL PERIOD  
FROM 1 JANUARY 2015 TO 30 JUNE 2015**

**1(a)(i) Consolidated Statements of Profit or Loss and Other Comprehensive Income (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

	<b>2nd Qtr 2015</b>	<b>2nd Qtr 2014</b>	<b>Change</b>	<b>YTD June 2015</b>	<b>YTD June 2014</b>	<b>Change</b>
	<b>Rp '000</b>	<b>Rp '000</b>	<b>%</b>	<b>Rp '000</b>	<b>Rp '000</b>	<b>%</b>
Revenue	79,679,377	97,003,778	(18)	168,412,437	191,093,710	(12)
Cost of sales	(61,763,059)	(58,347,947)	6	(125,080,122)	(117,670,099)	6
<b>Gross profit</b>	<b>17,916,318</b>	<b>38,655,831</b>	<b>(54)</b>	<b>43,332,315</b>	<b>73,423,611</b>	<b>(41)</b>
<b>Operating expenses</b>						
Distribution expenses	(126,965)	(665,260)	(81)	(281,286)	(1,235,064)	(77)
Administrative expenses	(8,377,270)	(7,103,130)	18	(18,261,289)	(15,051,203)	21
Finance costs	(2,382)	-	n.m.	(4,151)	-	n.m.
	(8,506,617)	(7,768,390)	10	(18,546,726)	(16,286,267)	14
<b>Other items of income/(expenses)</b>						
Interest income	2,496,438	2,506,553	(0)	4,709,120	4,494,296	5
Other income	880,751	210,713	318	2,636,766	1,856,800	42
Other expenses	(504,405)	(1,168,196)	(57)	(1,899,793)	(1,630,732)	16
Foreign exchange loss, net	(6,819,560)	(7,352,312)	(7)	(9,563,875)	(736,290)	1,199
	(3,946,776)	(5,803,242)	(32)	(4,117,782)	3,984,074	n.m.
<b>Profit before income tax</b>	<b>5,462,925</b>	<b>25,084,199</b>	<b>(78)</b>	<b>20,667,807</b>	<b>61,121,418</b>	<b>(66)</b>
Income tax expense	(2,012,937)	(8,543,475)	(76)	(4,552,992)	(15,477,158)	(71)
<b>Profit for the financial period</b>	<b>3,449,988</b>	<b>16,540,724</b>	<b>(79)</b>	<b>16,114,815</b>	<b>45,644,260</b>	<b>(65)</b>
<b>n.m.:</b> Not meaningful						

	2nd Qtr 2015	2nd Qtr 2014	Change	YTD June 2015	YTD June 2014	Change
	Rp '000	Rp '000	%	Rp '000	Rp '000	%
<b>Other comprehensive income:</b>						
<u>Items that may be reclassified subsequently to profit or loss:</u>						
Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	14,085,245	19,316,090	(27)	17,322,888	(2,245,754)	n.m.
<b>Total comprehensive income for the financial period</b>	<b>17,535,233</b>	<b>35,856,814</b>	<b>(51)</b>	<b>33,437,703</b>	<b>43,398,506</b>	<b>(23)</b>
<b>Profit attributable to:</b>						
Owners of the parent	3,031,487	15,366,712	(80)	15,100,613	43,500,421	(65)
Non-controlling interests	418,501	1,174,012	(64)	1,014,202	2,143,839	(53)
	<b>3,449,988</b>	<b>16,540,724</b>	<b>(79)</b>	<b>16,114,815</b>	<b>45,644,260</b>	<b>(65)</b>
<b>Total comprehensive income attributable to:</b>						
Owners of the parent	17,116,732	34,682,802	(51)	32,423,501	41,254,667	(21)
Non-controlling interests	418,501	1,174,012	(64)	1,014,202	2,143,839	(53)
	<b>17,535,233</b>	<b>35,856,814</b>	<b>(51)</b>	<b>33,437,703</b>	<b>43,398,506</b>	<b>(23)</b>
<b>n.m.:</b> Not meaningful						

**1(a)(ii) Profit before income tax is arrived at after charging / (crediting) the following significant items:**

	<b>2nd Qtr 2015</b>	<b>2nd Qtr 2014</b>	<b>Change</b>	<b>YTD June 2015</b>	<b>YTD June 2014</b>	<b>Change</b>
	<b>Rp '000</b>	<b>Rp '000</b>	<b>%</b>	<b>Rp '000</b>	<b>Rp '000</b>	<b>%</b>
Interest income	(2,496,438)	(2,506,553)	n.m.	(4,709,120)	(4,494,296)	5
Finance costs	2,382	-	n.m.	4,151	-	n.m.
Depreciation expense	2,715,286	2,603,788	4	5,426,750	5,183,025	5
Amortisation of operating use rights	11,040	11,040	n.m.	22,080	22,080	n.m.
Foreign exchange loss, net	6,819,560	7,352,312	(7)	9,563,875	736,290	n.m.
Loss/(Gain) on disposal of plant and equipment, net	87,665	(13,875)	(732)	336,179	(12,173)	n.m.
Fair value loss/(gain) from financial assets at fair value through profit or loss	13,860	22,050	(37)	17,010	61,110	(72)
Employment benefits expenses						
- salaries, wages and bonuses	5,208,374	4,495,062	16	11,879,277	10,074,550	18
Operating lease expenses						
- rental of premises	363,661	335,230	8	720,279	678,554	6
Representation and entertainment	161,814	77,379	109	353,701	222,427	59
Transportation, travelling and accommodation	428,729	322,075	33	638,756	511,887	25
<b><u>Additional information:</u></b>						
EBITDA (Excluding changes in fair value less estimated point-of-sales costs of biological assets)	5,695,194	25,192,474	(77)	21,411,668	61,832,228	(65)

**1(b)(i) Statement of Financial Position, together with a comparative statement as at the end of the immediately preceding financial year**

	<b>Group</b>		<b>Company</b>	
	<b>As at</b>		<b>As at</b>	
	<b>30/6/2015</b>	<b>31/12/2014</b>	<b>30/6/2015</b>	<b>31/12/2014</b>
	<b>Rp '000</b>	<b>Rp '000</b>	<b>Rp '000</b>	<b>Rp '000</b>
<b>Non-current assets</b>				
Biological assets	645,941,008	637,944,601	-	-
Property, plant and equipment	126,196,390	121,082,835	177,454	359,092
Investments in subsidiaries	-	-	570,755,941	543,499,928
Operating use rights	672,321	694,402	-	-
Club memberships	1,256,617	1,196,608	1,256,617	1,196,608
Deferred charges	9,397,978	7,967,978	-	-
	<b>783,464,314</b>	<b>768,886,424</b>	<b>572,190,012</b>	<b>545,055,628</b>
<b>Current assets</b>				
Inventories	45,028,992	25,970,734	-	-
Trade and other receivables	30,539,465	26,360,904	377,795,717	362,026,237
Dividend receivable	-	-	44,325,276	46,232,750
Prepayments	557,322	1,345,150	418,791	347,457
Financial assets at fair value through profit or loss	109,620	126,630	-	-
Cash and cash equivalents	358,913,532	412,722,129	16,572,420	43,900,846
	<b>435,148,931</b>	<b>466,525,547</b>	<b>439,112,204</b>	<b>452,507,290</b>
Less:				
<b>Current liabilities</b>				
Trade and other payables	41,956,958	45,891,122	916,737	1,056,774
Dividend payable	1,155,688	1,405,688	-	-
Finance lease payables	26,988	-	-	-
Current income tax payable	2,660,347	18,416,620	718,874	695,234
	<b>45,799,981</b>	<b>65,713,430</b>	<b>1,635,611</b>	<b>1,752,008</b>
<b>Net current asset</b>	<b>389,348,950</b>	<b>400,812,117</b>	<b>437,476,593</b>	<b>450,755,282</b>
Less:				
<b>Non-current liabilities</b>				
Finance lease payables	58,243	-	-	-
Provision for post-employment benefits	32,027,643	32,306,575	-	-
Deferred tax liabilities	127,533,296	127,077,490	-	-
	<b>159,619,182</b>	<b>159,384,065</b>	<b>-</b>	<b>-</b>
<b>Net assets</b>	<b>1,013,194,082</b>	<b>1,010,314,476</b>	<b>1,009,666,605</b>	<b>995,810,910</b>
<b>Capital and reserves</b>				
Share capital	672,006,499	674,562,922	672,006,499	674,562,922
Foreign currency translation reserve	104,402,503	87,079,615	338,781,320	289,353,443
Accumulated profits	202,263,415	215,164,476	(1,121,214)	31,894,545
Equity attributable to owners of the parent	978,672,417	976,807,013	1,009,666,605	995,810,910
Non-controlling interests	34,521,665	33,507,463	-	-
<b>Total equity</b>	<b>1,013,194,082</b>	<b>1,010,314,476</b>	<b>1,009,666,605</b>	<b>995,810,910</b>

**1(b)(ii) Aggregate amount of the Group's borrowings and debt securities**

	As at	
	30/6/2015	30/6/2014
	Rp '000	Rp '000
<b>Amount repayable in one year or less, or on demand</b>		
Secured	26,988	-
Unsecured	-	-
<b>Total</b>	<b>26,988</b>	<b>-</b>
<b>Amount repayable after one year</b>		
Secured	58,243	-
Unsecured	-	-
<b>Total</b>	<b>58,243</b>	<b>-</b>

**1(c) Consolidated Statement of Cash Flows, together with a comparative statement for the corresponding period of the immediately preceding financial year**

	2nd Qtr 2015	2nd Qtr 2014	YTD June 2015	YTD June 2014
	Rp '000	Rp '000	Rp '000	Rp '000
<b>Cash flows (used in)/from operating activities</b>				
<b>Profit before income tax</b>	<b>5,462,925</b>	<b>25,084,199</b>	<b>20,667,807</b>	<b>61,121,418</b>
Adjustments for:				
Amortisation of operating use rights	11,040	11,040	22,080	22,080
Loss/(gain) on disposal of plant and equipment, net	87,665	(13,875)	336,179	(12,173)
Depreciation expense	2,715,286	2,603,788	5,426,750	5,183,025
Fair value loss from financial assets at fair value through profit or loss	13,860	22,050	17,010	61,110
Finance costs	2,382	-	4,151	-
Interest income	(2,496,438)	(2,506,553)	(4,709,120)	(4,494,296)
Unrealised currency translation gain	7,883,659	7,001,878	3,883,778	522,717
Operating cash flows before working capital changes	13,680,379	32,202,527	25,648,635	62,403,881
<b>Working capital changes:</b>				
Inventories	(10,930,291)	(17,110,303)	(19,058,258)	(18,529,794)
Trade and other receivables	(2,345,335)	15,804,029	(4,501,963)	14,430,384
Prepayments	1,767,310	(212,533)	807,074	23,536
Trade and other payables	11,858,479	(15,158,762)	(3,616,576)	(18,533,463)
Utilisation of post-employment benefits	-	(260,628)	(278,932)	(635,136)
Cash generated from operations	14,030,542	15,264,330	(1,000,020)	39,159,408
Interest paid	-	-	-	-
Interest received	2,515,350	2,504,490	4,727,118	4,493,170
Income tax paid	(17,120,987)	(3,636,411)	(19,691,962)	(5,785,947)
<b>Net cash (used in)/from operating activities</b>	<b>(575,095)</b>	<b>14,132,409</b>	<b>(15,964,864)</b>	<b>37,866,631</b>
<b>Cash flows from investing activities</b>				
Acquisition of biological assets	(4,095,564)	(1,796,706)	(7,996,407)	(5,647,252)
Purchase of plant and equipment	(8,126,143)	(3,401,717)	(11,372,115)	(5,844,341)
Proceeds from disposal of plant and equipment	492,506	58,001	618,722	82,444
Payments for deferred expenditure	-	(464,654)	(1,430,000)	(464,654)
<b>Net cash used in investing activities</b>	<b>(11,729,201)</b>	<b>(5,605,076)</b>	<b>(20,179,800)</b>	<b>(11,873,803)</b>
<b>Cash flows from financing activities</b>				
Dividends paid to equity holders of the Company	(28,001,674)	(15,154,789)	(28,001,674)	(15,154,789)
Dividends paid to non-controlling interest	(250,000)	-	(250,000)	-
Share buyback held in treasury	(954,834)	(1,296,461)	(2,556,423)	(1,296,461)
Finance lease interest paid	(2,382)	-	(4,151)	-
Repayments of obligations under finance leases	(12,991)	-	(26,596)	-
<b>Net cash used in financing activities</b>	<b>(29,221,881)</b>	<b>(16,451,250)</b>	<b>(30,838,844)</b>	<b>(16,451,250)</b>
<b>Net change in cash and cash equivalents</b>	<b>(41,526,177)</b>	<b>(7,923,917)</b>	<b>(66,983,508)</b>	<b>9,541,578</b>
<b>Cash and cash equivalents at beginning of financial period</b>	<b>394,450,139</b>	<b>356,973,821</b>	<b>412,722,129</b>	<b>354,479,648</b>
<b>Effects of currency translation on cash and cash equivalents</b>	<b>5,989,570</b>	<b>11,953,216</b>	<b>13,174,911</b>	<b>(3,018,106)</b>
<b>Cash and cash equivalents at end of financial period</b>	<b>358,913,532</b>	<b>361,003,120</b>	<b>358,913,532</b>	<b>361,003,120</b>



GLOBAL PALM RESOURCES HOLDINGS LIMITED

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attributable to owners of the parent					Total equity Rp '000
	Share capital Rp '000	Foreign currency translation reserve Rp '000	Accumulated profits Rp '000	Equity attributable to owners of the parent Rp '000	Non- controlling interests Rp '000	
<b>Group</b>						
Balance as at 1 January 2015	674,562,922	87,079,615	215,164,476	976,807,013	33,507,463	1,010,314,476
Profit for the financial period	-	-	15,100,613	15,100,613	1,014,202	16,114,815
Other comprehensive income for the financial period:						
Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	-	17,322,888	-	17,322,888	-	17,322,888
Total comprehensive income for the financial period	-	17,322,888	15,100,613	32,423,501	1,014,202	33,437,703
Transactions with owners recorded directly in equity:						
Share buyback held in treasury	(2,556,423)	-	-	(2,556,423)	-	(2,556,423)
Total transactions with owners	(2,556,423)	-	-	(2,556,423)	-	(2,556,423)
Dividends to owners of the parent and non-controlling interest	-	-	(28,001,674)	(28,001,674)	-	(28,001,674)
<b>Balance as at 30 June 2015</b>	<b>672,006,499</b>	<b>104,402,503</b>	<b>202,263,415</b>	<b>978,672,417</b>	<b>34,521,665</b>	<b>1,013,194,082</b>



GLOBAL PALM RESOURCES HOLDINGS LIMITED

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Attributable to owners of the parent					Total equity Rp '000
	Share capital Rp '000	Foreign currency translation reserve Rp '000	Accumulated profits Rp '000	Equity attributable to owners of the parent Rp '000	Non-controlling interests Rp '000	
Balance as at 1 January 2014	681,817,047	94,835,557	160,274,806	936,927,410	31,570,529	968,497,939
Profit for the financial period	-	-	43,500,421	43,500,421	2,143,839	45,644,260
Other comprehensive income for the financial period:						
Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	-	(2,245,754)	-	(2,245,754)	-	(2,245,754)
Total comprehensive income for the financial period	-	(2,245,754)	43,500,421	41,254,667	2,143,839	43,398,506
Transactions with owners recorded directly in equity:						
Share buyback held in treasury	(1,296,460)	-	-	(1,296,460)	-	(1,296,460)
Total transactions with owners	(1,296,460)	-	-	(1,296,460)	-	(1,296,460)
Dividends to owners of the parent and non-controlling interest	-	-	(15,154,789)	(15,154,789)	-	(15,154,789)
<b>Balance as at 30 June 2014</b>	<b>680,520,587</b>	<b>92,589,803</b>	<b>188,620,438</b>	<b>961,730,828</b>	<b>33,714,368</b>	<b>995,445,196</b>





GLOBAL PALM RESOURCES HOLDINGS LIMITED

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Company	Share capital Rp '000	Foreign currency translation reserve Rp '000	Accumulated profits Rp '000	Total equity Rp '000
Balance as at 1 January 2015	674,562,922	289,353,443	31,894,545	995,810,910
Loss for the financial period	-	-	(5,014,084)	(5,014,084)
Other comprehensive income for the financial period:				
Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	-	49,427,877	-	49,427,877
Total comprehensive income for the financial period	-	49,427,877	(5,014,084)	44,413,793
Transactions with owners recorded directly in equity:				
Share buyback held in treasury	(2,556,423)	-	-	(2,556,423)
Total transactions with owners	(2,556,423)	-	-	(2,556,423)
Dividends paid	-	-	(28,001,675)	(28,001,675)
<b>Balance as at 30 June 2015</b>	<b>672,006,499</b>	<b>338,781,320</b>	<b>(1,121,214)</b>	<b>1,009,666,605</b>
Balance as at 1 January 2014	681,817,047	311,098,031	13,101,841	1,006,016,919
Profit for the financial period	-	-	2,966,877	2,966,877
Other comprehensive income for the financial period:				
Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	-	(5,336,600)	-	(5,336,600)
Total comprehensive income for the financial period	-	(5,336,600)	2,966,877	(2,369,723)
Dividends paid	(1,296,460)	-	(15,154,789)	(16,451,249)
<b>Balance as at 30 June 2014</b>	<b>680,520,587</b>	<b>305,761,431</b>	<b>913,929</b>	<b>987,195,947</b>

**1 (d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

During the period from 1 April 2015 to 30 June 2015, the Company purchased 496,000 shares from the open market (1 April 2014 to 30 June 2014: 664,000).

The total number of treasury shares held by the Company as at 30 June 2015 was 4,943,600 (30 June 2014: 664,000).

Treasury shares are presented as a component within equity attributable to owners of the parent.

<b>Group and Company</b>	<b>Number of treasury shares</b>	<b>Treasury shares Rp '000</b>
Balance as at 1 April 2015	4,447,600	8,855,714
Purchase of treasury shares	496,000	954,834
Balance as at 30 June 2015	4,943,600	9,810,548

Total number of treasury shares against issued shares (excluding treasury shares):

<b>Number of shares</b>	<b>As at 30 June 2015</b>	<b>As at 30 June 2014</b>
Treasury shares	4,943,600	664,000
Issued shares (excluding treasury shares)	408,024,400	412,304,000
<b>Total shares in issue</b>	<b>412,968,000</b>	<b>412,968,000</b>

As at 30 June 2015, the number of ordinary shares in issue was 412,968,000 of which 4,943,600 were held by the Company as treasury shares (30 June 2014: 412,968,000 ordinary shares of which 664,000 were held as treasury shares).

**1 (d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

Total number of issued shares (excluding treasury shares):

<b>As at 30 June 2015</b>	<b>As at 31 December 2014</b>
408,024,400	409,458,000

As at 30 June 2015, the number of ordinary shares in issue was 412,968,000 of which 4,943,600 were held by the Company as treasury shares (31 December 2014: 412,968,000 ordinary shares of which 3,510,000 were held as treasury shares.)

**1 (d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

During the period from 1 April 2015 to 30 June 2015, the Company purchased 496,000 shares from the open market (1 April 2014 to 30 June 2014: 664,000).

The total number of treasury shares held by the Company as at 30 June 2015 was 4,943,600 (30 June 2014: 664,000).

Treasury shares are presented as a component within equity attributable to owners of the parent.

<b>Group and Company</b>	<b>Number of shares</b>	<b>Treasury shares Rp '000</b>
Balance as at 1 April 2015	4,447,600	8,855,714
Purchase of treasury shares	496,000	954,834
Balance as at 30 June 2015	4,943,600	9,810,548

**2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice has been followed.**

These figures have not been audited, or reviewed by the auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter.**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with the audited consolidated financial statements for the financial year ended 31 December 2014 except for the valuation of biological assets and the actuarial valuation of the post-employment benefits which will be undertaken at the end of the financial year. In addition, the Group also adopted various revisions to the FRS, which became effective during that period. The said adoption has no significant impact to the financial statements of the Group.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends; (a) Based on the weighted average number of ordinary shares on issue; and (b) On a fully diluted basis (detailing any adjustments made to the earnings).**

	<b>2nd Qtr 2015</b>	<b>2nd Qtr 2014</b>	<b>YTD June 2015</b>	<b>YTD June 2014</b>
	<b>Rp</b>	<b>Rp</b>	<b>Rp</b>	<b>Rp</b>
Earnings per share for the period (Rp)				
(a) based on weighted average number of shares	7	37	37	105
(b) based on a fully diluted basis	7	37	37	105
Number of shares outstanding				
- Weighted average number of shares	412,626,820	412,937,308	408,685,150	412,952,569

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the; (a) current financial period reported on; and (b) immediately preceding financial year.**

	<b>Group</b>		<b>Company</b>	
	<b>As at</b>		<b>As at</b>	
	<b>30/6/2015</b>	<b>31/12/2014</b>	<b>30/6/2015</b>	<b>31/12/2014</b>
Net asset value per ordinary share (Rp)	2,483	2,467	2,475	2,432
Number of issued shares excluding treasury shares	408,024,400	409,458,000	408,024,400	409,458,000

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following; (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

### **Review of Group performance**

#### ***2Q2015 versus 2Q2014***

##### ***Revenue***

Our revenue for 2Q2015 decreased by Rp17.3 billion or 18%, from Rp97.0 billion in 2Q2014 to Rp79.7 billion in 2Q2015, mainly due to lower crude palm oil ("CPO") sales revenue of Rp12.4 billion and lower palm kernel ("PK") sales revenue of Rp4.9 billion.

CPO sales revenue decreased by Rp12.4 billion, from Rp84.4 billion in 2Q2014 to Rp72.0 billion in 2Q2015, mainly due to decrease in CPO average selling price by Rp1,278 per kilogram from Rp8,472 per kilogram in 2Q2014 to Rp7,194 per kilogram in 2Q2015. Sales volume of CPO increased by 42 tons from 9,964 tons in 2Q2014 to 10,006 tons in 2Q2015.

PK sales revenue decreased by Rp4.9 billion, from Rp12.6 billion in 2Q2014 to Rp7.7 billion in 2Q2015, due to decrease in PK average selling price and lower PK sales volume. Average selling price of PK decreased by Rp1,660 per kilogram from Rp5,509 per kilogram in 2Q2014 to Rp3,849 per kilogram in 2Q2015. Sales volume of PK decreased by 285 tons, from 2,285 tons in 2Q2014 to 2,000 tons in 2Q2015.

##### ***Costs of sales***

Cost of sales increased by Rp3.5 billion or 6%, from Rp58.3 billion in 2Q2014 to Rp61.8 billion in 2Q2015. This was mainly due to higher indirect material used (which comprised mainly cost of fertilizers).

##### ***Gross profit***

As a result of the foregoing, gross profit decreased by Rp20.7 billion or 54%, from Rp38.6 billion in 2Q2014 to Rp17.9 billion in 2Q2015. Gross profit margin decreased 17.3% from 39.8% in 2Q2014 to 22.5% in 2Q2015.

##### ***Distribution expenses***

Distribution expenses decreased by Rp0.5 billion or 81% from Rp0.6 billion in 2Q2014 to Rp0.1 billion in 2Q2015. This was mainly due to decrease in freight and stevedoring costs for goods shipped FOB at loading point.

##### ***Administrative expenses***

Administrative expenses increased by Rp1.3 billion or 18% from Rp7.1 billion in 2Q2014 to Rp8.4 billion in 2Q2015. This was primarily due to higher salaries and wages to employees of the Group due to the minimum wage requirements in Indonesia.

***Finance costs***

Finance costs incurred in 2Q2015 was relating to the payment of finance lease interest.

***Interest income***

Interest income remained at Rp2.5 billion in 2Q2015 (2Q2014: Rp2.5 billion). Interest income is mainly from interest earned from bank deposits.

***Other income***

Other income increased by Rp0.7 billion or 318%, from Rp0.2 billion in 2Q2014 to Rp0.9 billion 2Q2015, which were mainly from the sales of sludge oil and kernel shells.

***Other expenses***

Other expenses decreased by Rp0.7 billion or 57%, from Rp1.2 billion in 2Q2014 to Rp0.5 billion in 2Q2015, mainly due to less expenditure incurred for the survey of new potential areas for plantations.

***Foreign exchange loss, net***

Net foreign exchange loss of Rp6.8 billion in 2Q2015 was mainly attributable to depreciation of IDR against SGD in relation to the Company's IDR denominated inter-company non-working capital financing for its subsidiary.

***Profit before income tax***

As a result of the foregoing, profit before income tax decreased by Rp19.6 billion or 78%, from Rp25.1 billion in 2Q2014 to Rp5.5 billion in 2Q2015.

***Income tax expense***

Income tax expense decreased by Rp6.5 billion or 76%, from Rp8.5 billion in 2Q2014 to Rp2.0 billion in 2Q2015. The decrease is in line with the lower revenue generated.

***Profit after income tax***

As a result of the above, profit after income tax decreased by Rp13.1 billion or 79% from Rp16.5 billion in 2Q2014 to Rp3.4 billion in 2Q2015.

### ***1H2015 versus 1H2014***

#### ***Revenue***

Our revenue for 1H2015 decreased by Rp22.7 billion or 12%, from Rp191.1 billion in 1H2014 to Rp168.4 billion in 1H2015, mainly due to lower crude palm oil (“CPO”) sales revenue of Rp18.0 billion and lower palm kernel (“PK”) sales revenue of Rp4.7 billion.

CPO sales revenue decreased by Rp18.0 billion, from Rp169.4 billion in 1H2014 to Rp151.4 billion in 1H2015, mainly due to decrease in CPO average selling price by Rp994 per kilogram from Rp8,484 per kilogram in 1H2014 to Rp7,490 per kilogram in 1H2015. Sales volume of CPO increased by 243 tons from 19,968 tons in 1H2014 to 20,211 tons in 1H2015.

PK sales revenue decreased by Rp4.7 billion, from Rp21.7 billion in 1H2014 to Rp17.0 billion in 1H2015, due to decrease in PK average selling price and lower PK sales volume. Average selling price of PK decreased by Rp838 per kilogram from Rp5,096 per kilogram in 1H2014 to Rp4,258 per kilogram in 1H2015. Sales volume of PK decreased by 255 tons, from 4,255 tons in 1H2014 to 4,000 tons in 1H2015.

#### ***Costs of sales***

Cost of sales increased by Rp7.4 billion or 6%, from Rp117.6 billion in 1H2014 to Rp125.0 billion in 1H2015. This was mainly due to higher indirect material used (which comprised mainly cost of fertilizers).

#### ***Gross profit***

As a result of the foregoing, gross profit decreased by Rp30.1 billion or 41%, from Rp73.4 billion in 1H2014 to Rp43.3 billion in 1H2015. Gross profit margin decreased 12.7% from 38.4% in 1H2014 to 25.7% in 1H2015.

#### ***Distribution expenses***

Distribution expenses decreased by Rp0.9 billion or 77% from Rp1.2 billion in 1H2014 to Rp0.3 billion in 1H2015. This was mainly due to decrease in freight and stevedoring costs for goods shipped FOB at loading point.

#### ***Administrative expenses***

Administrative expenses increased by Rp3.2 billion or 21% from Rp15.1 billion in 1H2014 to Rp18.3 billion in 1H2015. This was primarily due to higher salaries and wages to employees of the Group due to the minimum wage requirements in Indonesia and higher professional fees.

***Finance costs***

Finance costs incurred in 1H2015 was relating to the payment of finance lease interest.

***Interest income***

Interest income increased Rp0.2 billion or 5%, from Rp4.5 billion in 1H2014 to Rp4.7 billion in 1H2015 due to higher interest earned from bank deposits.

***Other income***

Other income increased by Rp0.8 billion or 21%, from Rp1.8 billion in 1H2014 to Rp2.6 billion 1H2015, which were mainly the higher sales of sludge oil partially offset by lower sales of kernel shells.

***Other expenses***

Other expenses decreased by Rp0.3 billion or 16%, from Rp1.6 billion in 1H2014 to Rp1.9 billion in 1H2015, mainly due to fixed assets written-off.

***Foreign exchange loss, net***

Net foreign exchange loss of Rp9.6 billion in 1H2015 was mainly attributable to depreciation of IDR against SGD in relation to the Company's IDR denominated inter-company non-working capital financing for its subsidiary.

***Profit before income tax***

As a result of the foregoing, profit before income tax decreased by Rp40.5 billion or 66%, from Rp61.1 billion in 1H2014 to Rp20.6 billion in 1H2015.

***Income tax expense***

Income tax expense decreased by Rp10.9 billion or 71%, from Rp15.5 billion in 1H2014 to Rp4.6 billion in 1H2015. The decrease is in line with the lower revenue generated.

***Profit after income tax***

As a result of the above, profit after income tax decreased by Rp29.0 billion or 65% from Rp45.6 billion in 1H2014 to Rp16.1 billion in 1H2015.

**Review of Financial Position as at 30 June 2015**

***Non-current assets***

Non-current assets for the Group increased by Rp14.6 billion or 2%, from Rp768.9 billion as at 31 December 2014 to Rp783.5 billion as at 30 June 2015. This was mainly due to increase in biological assets for the plantings and maintenance of immature plantation, additions to property, plant and equipment and the deferred charges incurred for the land location permits for expansion of the Group's land bank.

***Current assets***

Current assets for the Group decreased by Rp31.4 billion or 7%, from Rp466.5 billion as at 31 December 2014 to Rp435.1 billion as at 30 June 2015. This was mainly due to lower cash generated from operations.



***Current liabilities***

Current liabilities for the Group decreased by Rp19.9 billion or 30%, from Rp65.7 billion as at 31 December 2014 to Rp45.8 billion as at 30 June 2015. This was mainly due to decrease in income tax payables of Rp15.8 billion.

***Non-current liabilities***

Non-current liabilities for the Group increased by Rp0.2 billion from Rp159.4 billion as at 31 December 2014 to Rp159.6 billion as at 30 June 2015, due to higher deferred tax liabilities partially offset by lower provision for post-employment benefits.

**Review of Consolidated Cash Flows**

Net cash used in operating activities of Rp16.0 billion was mainly due to the purchase of inventories and payments for income tax.

Net cash used in investing activities of Rp20.2 billion comprised mainly additional plantings, purchase of planting equipment and payments for deferred expenditure.

Net cash used in financing activities of Rp30.8 billion was mainly for dividends paid to equity holders of the Company and for the buyback of the Company's shares to be held as treasury shares.

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

Not applicable.

**10. 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 reporting period and the next 12 months.**

The demand for palm oil is expected to remain stable in view of rising food requirements from China, India, Indonesia and emerging markets.

The Group believes that the demand for palm oil remains sustainable in the long run and will continue to vigilantly review its cost structure, yield and productivity to ensure that it achieves a cost-competitive model in the long run.

**11. Dividend**

(a) Current Financial Period Reported on

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

**12. If no dividend has been declared (recommended), a statement to that effect.**

No dividend has been declared or recommended.

**13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

Name of interested person	Aggregate value of all interested person transactions during the period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (Rp' million)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) (Rp' million)
	<b>FY2015</b>	<b>FY2015</b>
PT Bumiraya Utama Lines	1,529	NIL*

\*The Group has not obtained a general mandate from shareholders for Interested Person Transactions.

**14. Negative confirmation pursuant to Rule 705(5)**

The Directors of the Company do hereby confirm that to the best of their knowledge, nothing has come to their attention which would render the unaudited financial statements for the financial period from 1 January 2015 to 30 June 2015 to be false or misleading in any material aspects.

**15. Update of the utilization of the Initial Public Offering ("IPO") proceeds of S\$50.6 million**

As at 30 June 2015, the use of net proceeds from the IPO are as follows:

Use of net proceeds	Amount allocated (S\$' million)	Amount utilised (S\$' million)	Balance (S\$' million)
Development of existing uncultivated land banks into oil palm plantations	15.61	12.79 <sup>(1)</sup>	2.82
Acquisition of other oil palm plantations and land banks	15.00	1.07 <sup>(2)</sup>	13.93 <sup>(3)</sup>
Repayment of the loans to PT Bank CIMB Niaga Tbk ("Bank Niaga")	5.00	5.00	-
Construction of the co-composting plant	2.00	1.49	0.51
Working capital	9.50	9.50	-
Invitation expenses	3.49	3.49	-
<b>Total</b>	<b>50.60</b>	<b>33.34</b>	<b>17.26</b>

As at 30 June 2015, the use of net proceeds from the IPO for working capital are as follows:

	<b>Indonesia Office (S\$' million)</b>	<b>Singapore Office (S\$' million)</b>	<b>Amount utilised (S\$' million)</b>
Plantation & Mill Expenses	1.26	-	1.26
Purchase of FFB	1.76	-	1.76
Transport & Freight	0.36	-	0.36
Fertilizers	1.57	-	1.57
Purchase Fuel	0.35	-	0.35
Suppliers	0.65	-	0.65
Administration Expenses	0.49	1.00	1.49
Bank Interest	0.11	-	0.11
Leasing	0.09	-	0.09
Tax Payment	1.86	-	1.86
<b>Total</b>	<b>8.50</b>	<b>1.00</b>	<b>9.50</b>

Notes:

- (1) Out of the S\$12.79 million utilized for the development of existing uncultivated land banks into oil palm plantations, approximately S\$10.74 million were used for land clearing and new planting purposes.
- (2) The S\$1.07 million utilized for the acquisition of other oil palm plantations and land banks are expenses of S\$0.46 million incurred for the land location permit for 7,170 hectares of land in Muara Lesan Village and Lesan Dayak Village, both located in Berau Regency, East Kalimantan and expenses of S\$0.61 million incurred for the land location permit for 6,546 hectares of land in sub-districts of Ngabang and Jelimpo, both located in Landak Regency, West Kalimantan.
- (3) The Company has the option to acquire PT Cemaru, 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 Cemaru as well as approvals required by the Indonesian authorities.

16. 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) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Tan Hung Hwie @ Winoto Adijanto	59	Brother of CEO, Dr Suparno Adijanto	<u>Director of Global Palm Resources Private Limited (Since 2007)</u> - Governing the Company including setting management directions and goals. - Oversee management of company. <u>Director of Ecogreen Resources Investments Limited (Since 2010)</u> - Governing the Company including setting management directions and goals. - Oversee management of company.	Not applicable
Tan Hong Swan @ Tan Hong Whan @ Swandono Adijanto	63	Brother of CEO, Dr Suparno Adijanto	<u>President Commissioner of PT Prakarsa Tani Sejati (Since 2003)</u> - Supervise and advise the Board of Directors. - Non-executive in nature.	Not applicable
Tan Hong Pheng @ Pintarso Adijanto	58	Brother of CEO, Dr Suparno Adijanto	<u>Director of PT Prakarsa Tani Sejati (Since 1993)</u> - Governing the Company including setting management directions and goals. - Oversee management of company.	Not applicable
Ivan Swandono	28	Nephew of CEO, Dr Suparno Adijanto (and the son of Dr Suparno Adijanto's brother, Tan Hong Whan @ Swandono Adijanto)	<u>COO of PT Prakarsa Tani Sejati (Since 2013)</u> - Responsible for the cultivation of palm oil plantation and the daily operations of our palm oil mill.	Not applicable

**BY ORDER OF THE BOARD**

Dr Tan Hong Kiat @ Suparno Adijanto  
Executive Chairman & CEO

14 August 2015