

**Global Palm Resources Holdings Limited**  
**AGM FY2019**  
**June 2020**

# ADVANCING FORWARD





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# A palm oil producer in Indonesia



## Plantation (Cultivation)

In West Kalimantan, East Kalimantan and North Morowali, Indonesia

**Total land bank: 37,660 ha**

HGU: 16,079 ha

IUP license: 7,971 ha

Location license: 13,560 ha

Cultivated land: 13,415 ha

Mature<sup>(1)</sup> area: 10,759 ha

Avg FFB yield: 13.0 tonnes/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 tonnes/hr

-360,000 tonnes/yr

-FY2019: 154,854 tonnes processed

## Products

### Crude Palm Oil (CPO)

Customers: Indonesian palm oil refineries and palm oil bulking facilities; commodity traders

FY2019: 34,162 tonnes

### Palm Kernel (PK)

Customers: Indonesian palm kernel processing plants

FY2019: 6,642 tonnes

## Expansion

The Group has successfully completed the acquisition of PT Bumi Raya Agro in 2Q2019, which holds a location permit to approximately 10,100 ha of oil palm plantation. The location is in North Morowali, Central Sulawesi.

The Company has the option to acquire PT Cemaruru, an Indonesian-incorporated company which holds Hak Guna Usaha to approximately 5,618 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 Cemaruru as well as approvals required by the Indonesian authorities.

# Corporate Milestones

## 2016

- Successfully cleared approximately 1,009 ha of our matured plantation of over 24 years for replanting
- Replanted 821 ha

## 2017

- Successfully cleared approximately 619 ha of our matured plantation of over 23 years for replanting
- Replanted 674 ha

## 2018

- Successfully cleared approximately 840 ha of our matured plantation of over 22 years for replanting
- Replanted 751 ha
- Entered into conditional sale and purchase agreements with the shareholders of PT Bumi Raya Agro, to acquire 95% of its issued and paid-up capital. PT Bumi Raya Agro is principally engaged in the business of oil palm plantation and holds a location permit of 10,100 ha of oil palm plantation, located in North Morowali, Central Sulawesi
- Obtained plantation permit ('Ijin Usaha Perkebunan'; IUP) for 7,170 ha of land in Muara Lesan Village and Lesan Dayak Village, both located in Berau Regency, East Kalimantan, Indonesia. The IUP grants the holder the right to establish an oil palm plantation within a defined area

## 2013

- Obtained Environmental Impact Assessment (AMBAL) approval for 7,170 ha of land in Muara Lesan Village and Lesan Dayak Village, both located in Berau Regency, East Kalimantan, Indonesia

## 2012

- Obtained a land location permit for 7,170 ha of land in Muara Lesan Village and Lesan Dayak Village, both located in Berau Regency, East Kalimantan, Indonesia

## 2010

- Successfully listed on the Main Board of the Singapore Exchange in April; and became a member of the Roundtable of Sustainable Palm Oil in May

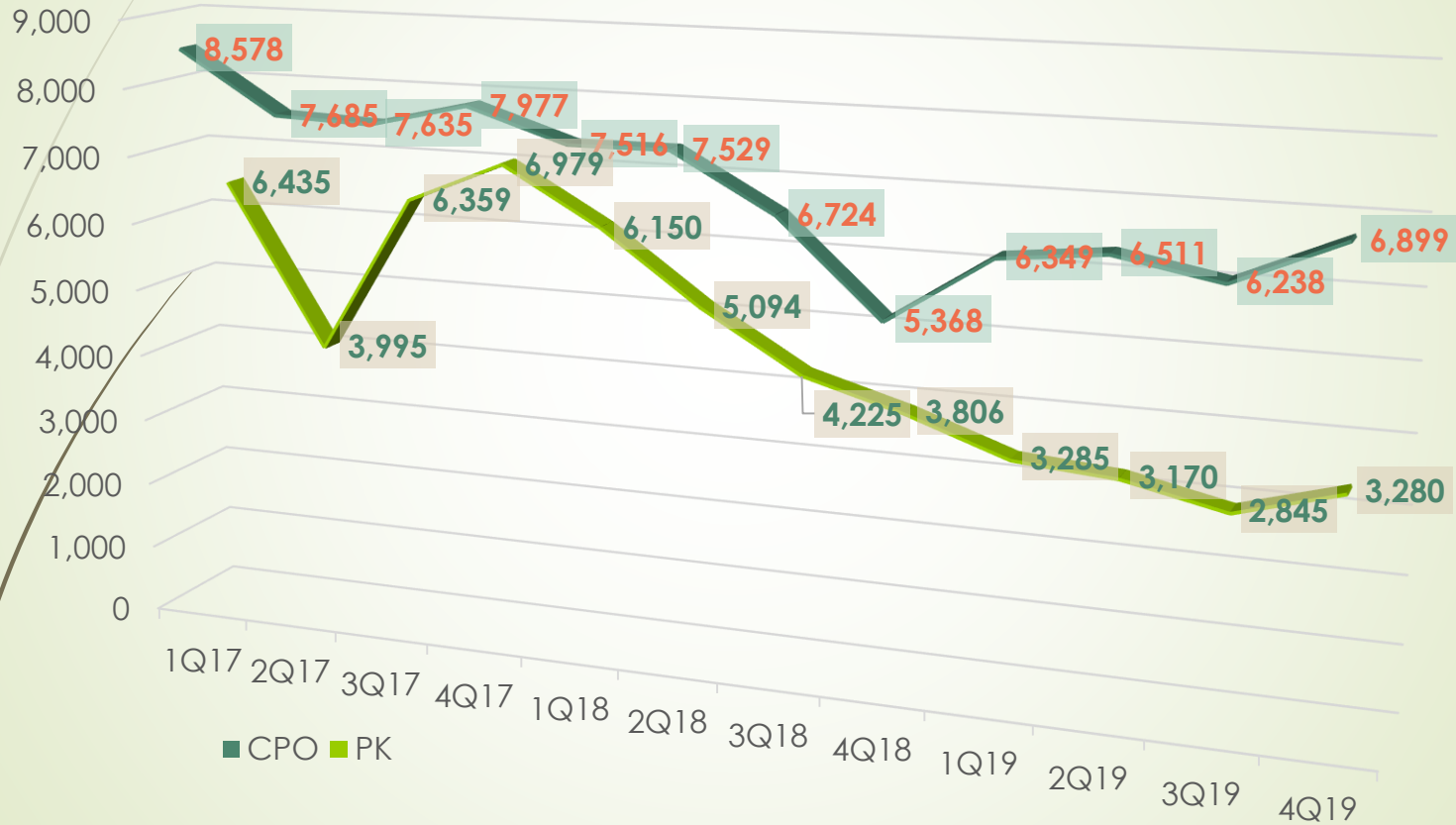
## 2019

- Successfully completed the acquisition of PT Bumi Raya Agro. Total land bank at 37,660 ha as at 31 December 2019

## 2014

- Obtained a land location permit for land in sub-districts of Ngabang and Jelimpo, both located in Landak Regency, West Kalimantan, Indonesia

# Average Selling Prices (Rp/Kg)



# Executive Summary – FY2019

## Financial performance

- Revenue decreased 23% YoY from Rp338.6 billion to Rp262.1 billion
- Gross profit decreased 97% YoY from Rp30.7 billion to Rp1.1 billion
- Gross profit margin decreased by 8.7% point YoY from 9.1% to 0.4%

## Production statistics

- FFB processed decreased 29% YoY from 217,376 tonnes to 154,854 tonnes
- FFB yield decreased 22% YoY from 16.6 tonnes/ha to 13.0 tonnes/ha
- CPO production decreased 28% YoY from 47,135 tonnes to 34,162 tonnes
- PK production decreased 22% YoY from 8,526 tonnes to 6,642 tonnes
- CPO extraction rate improved 0.38% point YoY from 21.68% to 22.06%
- PK extraction rate improved 0.37% point YoY from 3.92% to 4.29%

## Plantation

- Replanting increased YoY from 751 hectares in FY2018 to 1,231 hectares in FY2019
- Total replanted area since FY2016: 3,478 hectares
- 80.2% of our palm in mature production stage
- 24,245 hectares available for future cultivation

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

# Income Statement Highlights

Indonesian Rupiah (Billions)	FY2019	FY2018	Var %
Revenue	262.2	338.6	(23)
Gross profit/(loss)	1.1	30.7	(97)
Loss before tax	(39.1)	(4.5)	+775
Net loss for the year	(40.7)	(7.5)	+442
Loss attributable to shareholders	(38.5)	(7.4)	+421
EBITDA	(27.3)	(0.5)	+5,894
Gross profit/(loss) margin (%)	0.4	9.1	(8.7% pts)
Net loss margin (%)	(15.5)	(2.2)	+13.3% pts
EBITDA margin (%)	(10.4)	(0.1)	+10.3% pts

# Segment Review

	<b>FY2019</b>	<b>FY2018</b>	<b>Var %</b>
<b>Sales volume (tonnes)</b>			
CPO	<b>36,519</b>	46,325	(21)
Palm kernels	<b>8,568</b>	6,501	+32
<b>Ave. Selling Price (Rp/kg)</b>			
CPO	<b>6,452</b>	6,609	(2)
Palm kernels	<b>3,095</b>	4,988	(38)
<b>Revenue (Rp' billion)</b>			
CPO	<b>235.6</b>	306.2	(23)
Palm kernels	<b>26.5</b>	32.4	(18)



# Financial Position Highlights

Indonesian Rupiah (Billions)	31 Dec 19	31 Dec 18	Var (%)
Total assets	702.2	724.7	(3)
Total liabilities	(102.8)	(71.9)	+43
Current ratio (times)	6.5	12.9	(50)
Net Gearing (%)	0.08%	n.m.	n.m.

# Cash Flow Statement Highlights

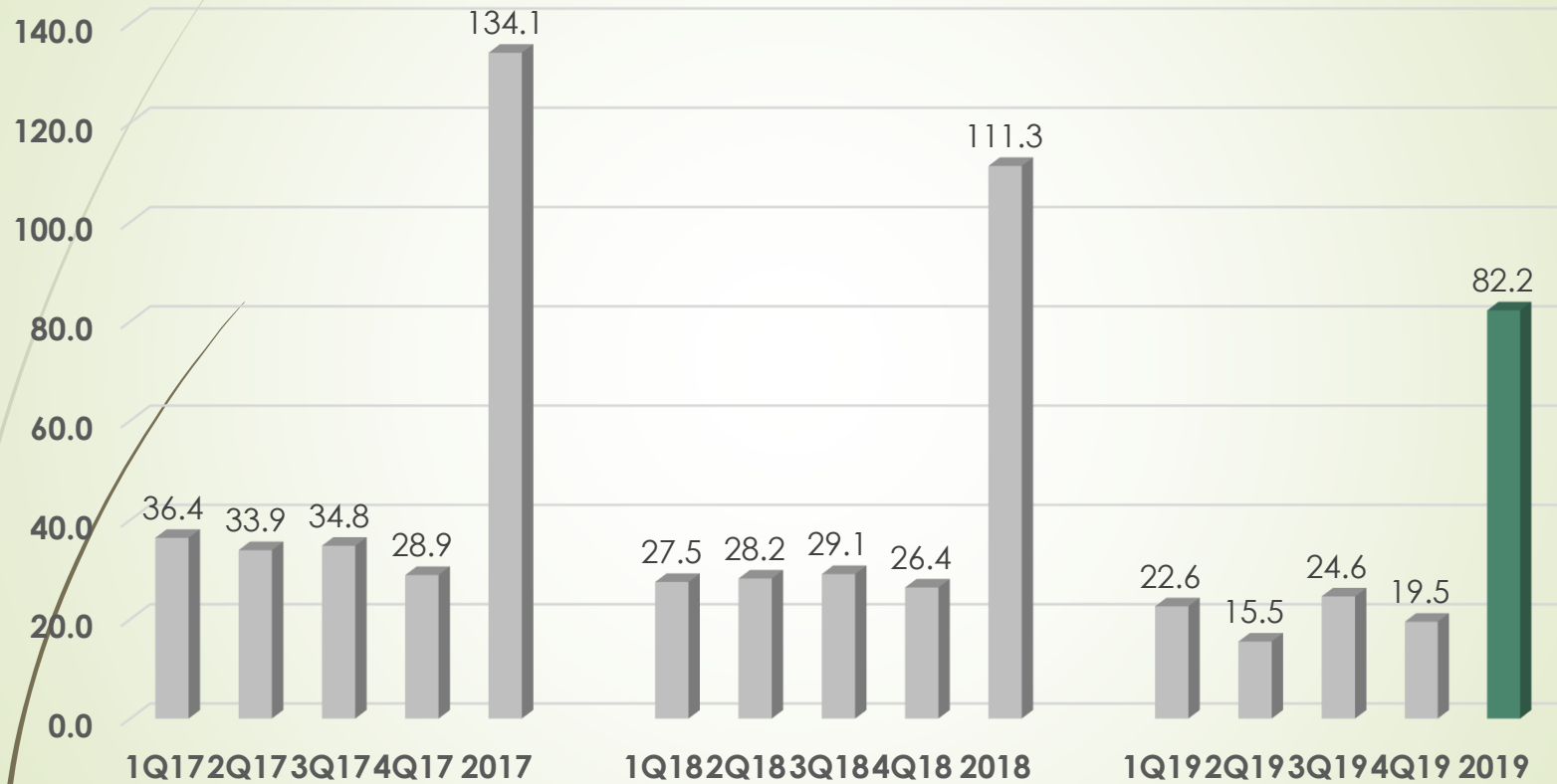
<b>Indonesian Rupiah (Billions)</b>	<b>FY2019</b>	<b>FY2018</b>
Net cash generated from/(used in) operating activities	<b>30.8</b>	(58.3)
Net cash used in investing activities	<b>(47.2)</b>	(26.0)
Net cash used in financing activities	<b>(2.5)</b>	(23.1)
Cash on hand and in banks at the beginning of the year	<b>289.1</b>	382.8
Effects of currency translation on cash and cash equivalents	<b>(7.0)</b>	13.6
Cash on hand and in banks at the end of the year	<b>263.1</b>	289.1
Net change in cash on hand and in banks	<b>(19.0)</b>	(107.3)

# Production Highlights



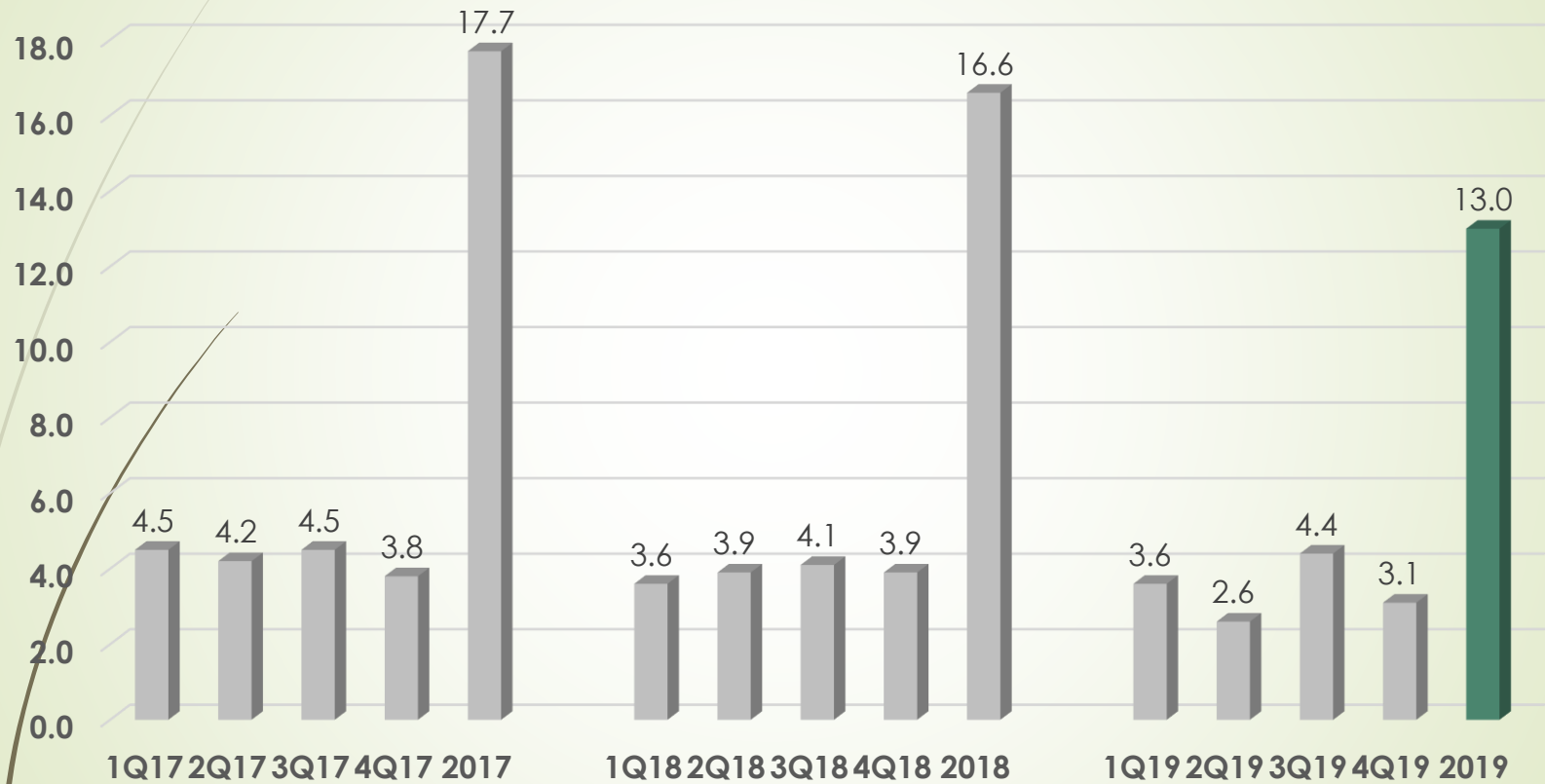
# Production Output

FFB produced ('000 tonnes) – Nucleus only



# Production Output

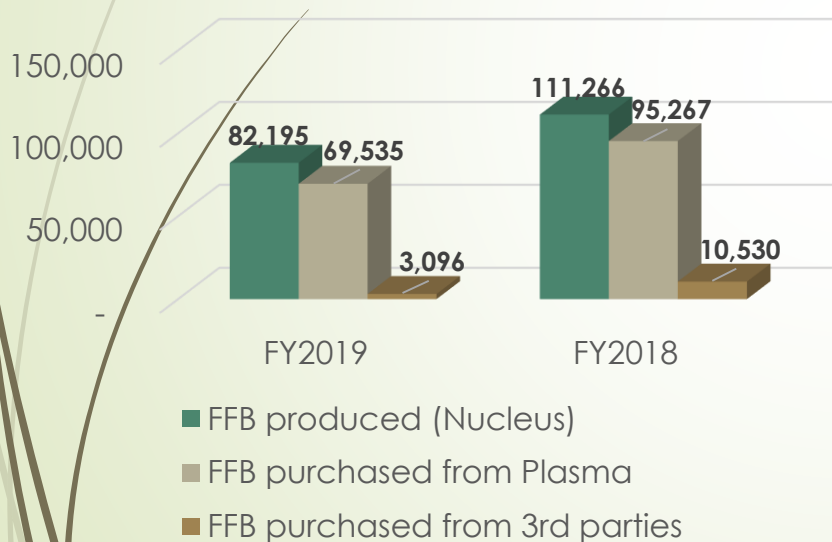
FFB yield (tonnes/ha) – Nucleus only



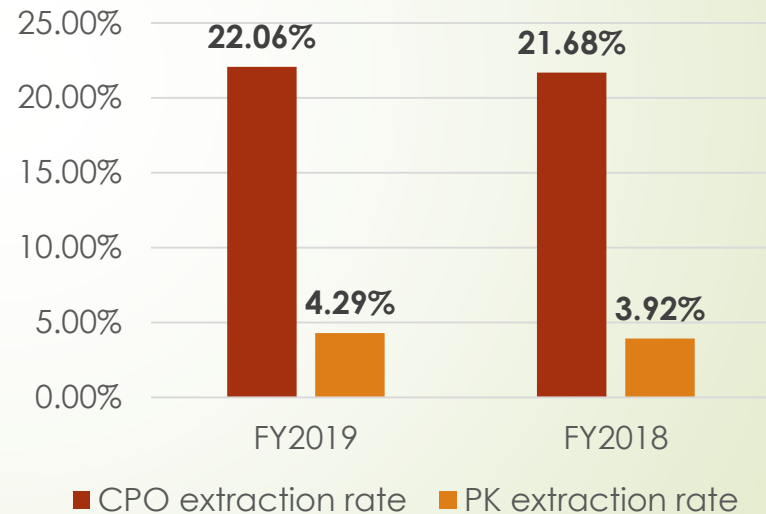
# Production Statistics

Production Output (Tonnes)	FY2019	FY2018	Var %
CPO	34,162	47,135	(28)
Palm kernels	6,642	8,526	(22)

## FFB Output (Tonnes)



## Extraction rates



# Plantation Statistics



# Plantation Statistics

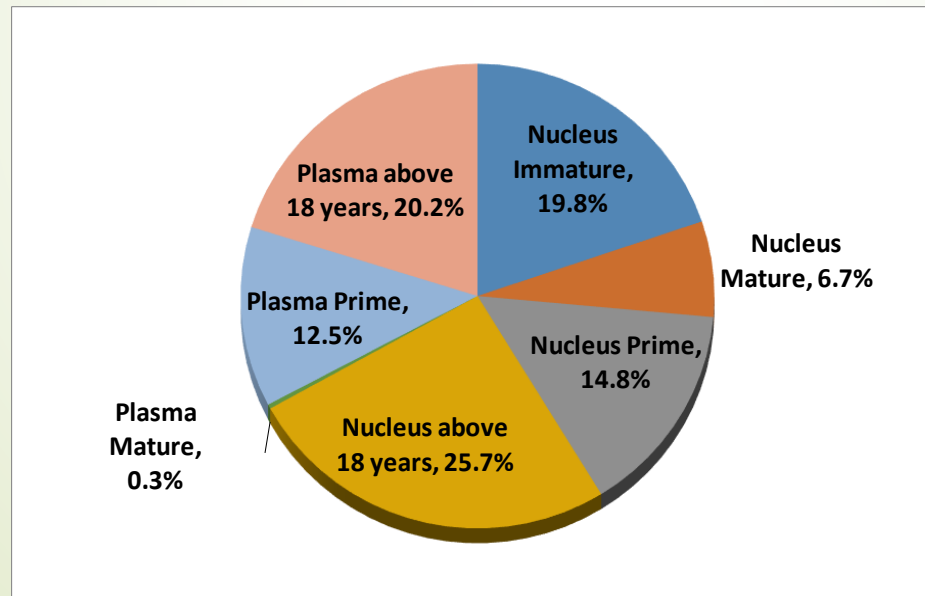
	<b>FY2019</b>	<b>% of total</b>	<b>FY2018</b>	<b>% of total</b>
<b>Total Planted Area (ha)</b>	<b>13,415</b>	<b>100%</b>	<b>13,300</b>	<b>100%</b>
Mature	10,759	80.2%	11,054	83.1%
Immature	2,656	19.8%	4,365	16.9%

- **Total land bank 37,660 ha**
  - HGU: 16,079 ha
  - IUP license: 7,971 ha
  - Location license: 13,560 ha
- **24,245 ha available for future cultivation**



# Age Profile @ 31 December 2019

Area cultivated	First 3 years (Immature)	4 - 6 years (Mature)	7 - 18 years (Prime)	Above 18 years	Total
Nucleus (ha)	2,656	892	1,986	3,448	8,982
Plasma (ha)	0	40	1,683	2,710	4,433
<b>Total (ha)</b>	<b>2,656</b>	<b>932</b>	<b>3,669</b>	<b>6,158</b>	<b>13,415</b>
% of cultivated area	19.8%	7.0%	27.3%	45.9%	100.0%



# Industry Outlook and Business Strategies



# Strategies And Future Plans

## Expansion

### **Develop uncultivated land bank**

- Business operation license obtained for 6,713 ha of land in Muara Lesan Village and Lesan Dayak Village, both located in Berau Regency, East Kalimantan
- Land location permit obtained for 3,460 ha of land in sub-districts of Ngabang and Jelimpo, both located in Landak Regency, West Kalimantan
- Land location permit obtained for 10,100 ha of land in North Morowali, Central Sulawesi
- Projected to replant 1,000 ha per year in FY2020

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

- The Company has the option to acquire PT Cemar, an Indonesian-incorporated company which holds Hak Guna Usaha to approximately 5,618 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 clearing of matured oil palm trees which are not optimized in producing fruit and replanting with newer seedlings
- From mill

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



Thank you  
Q&A session