



PRESS RELEASE

Global Palm net profit rises to Rp41.9 billion on higher palm oil prices in 1H2021

- 79% jump in revenue underpinned by higher volume sales and palm oil prices
- Declares an interim dividend of 1.0 Singapore cents per share

Financial highlights for the half year ended 30 June:

Rp'bil	1H2021	1H2020	% Chg
Revenue	248.0	138.3	+79
Gross profit	73.2	16.3	+349
Gross profit margin (%)	29.5	11.8	+17.7 % pts
EBITDA	63.2	2.4	+2559
Profit/(loss) before income tax	45.4	(4.6)	n.m.
Net profit/(loss) attributable to equity holders	41.9	(4.5)	n.m.

n.m. – not meaningful

SINGAPORE – 27 September 2021 – 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 profit attributable to shareholders of Rp41.9 billion for the half year ended 30 June 2021 (“1H2021”).

The Group’s revenue increased 79% to Rp248.0 billion in 1H2021 from Rp138.3 billion in 1H2020, mainly due to higher crude palm oil (“CPO”) and palm kernel (“PK”) average selling prices, coupled with higher CPO and PK sales volume. The Group also recorded fresh fruit bunch (“FFB”) sales revenue of Rp29.9 billion from PT Cemarum Lestari, a subsidiary which the Group has recently acquired in 2H2020. Gross profit increased 349% from Rp16.3 billion in 1H2020 to Rp73.2 billion in 1H2021. Gross profit margin increased 17.7% points from 11.8% in 1H2020 to 29.5% in 1H2021.

Average Selling Prices and Tonnage Sales

Average selling price of CPO increased 26% from Rp7,849/kg in 1H2020 to Rp9,903/kg in 1H2021. Average selling price of PK increased 51% from Rp4,391/kg in 1H2020 to Rp6,624/kg in 1H2021. Average selling price of FFB is Rp2,079/kg in 1H2021.

CPO sales volume increased 4,004 tonnes or 25% from 16,006 tonnes in 1H2020 to 20,010 tonnes in 1H2021. PK sales volume increased 119 tonnes or 4% from 2,894 tonnes in 1H2020 to 3,013 tonnes in 1H2021. The Group has sold 14,389 tonnes of FFB in 1H2021.

Operational Performance

As of 30 June 2021, the Group's total planted area (nucleus and plasma) totaled 15,997 ha, of which 87.4% or 8,645 ha comprise mature oil palm trees.

CPO extraction rate remained the same at 22.25% in both 1H2021 and 1H2020. PK extraction rate remained stable at 3.69% in 1H2021 from 3.59% in 1H2020.

Production statistics:

<u>Production Output (Tonnes)</u>	<u>1H2021</u>	<u>1H2020</u>	<u>Var %</u>
CPO	19,650	15,488	+27
Palm kernels	3,262	2,495	+31

Outlook and future plans

CPO prices are expected to remain volatile considering the fear and uncertainty in the world economy due to the COVID-19 virus. Nonetheless, the short-term price outlook for CPO remains stable on the back of lower palm oil output expectations for end 2021 and fairly robust demand for CPO.

We are continuing to replant older palm trees with newer breeds of high yield palm trees. Our ongoing replanting scheme will ensure long term sustainability for the Group. These efforts, together with other measures the management is taking to improve productivity and reduce costs, should result in a positive sustainable future for the Group.

Dr Suparno Adijanto (陳洪傑), Executive Chairman and CEO said, “CPO prices remained around RM 4,300 per tonne in mid-August, amid anticipation of a tight supply condition despite entering the seasonal peak output season. We expect to continue seeing a healthy support around that price level, driven by the fairly robust global demand for CPO. However, we remain conservative amidst the uncertainty caused by the COVID-19 pandemic and its negative impact on world economic growth. In the long-term, the Group continues on its replanting strategy and costs-saving efforts to ensure sustainability.”

	1H2021	1H2020	% Chg
Revenue (Rp' bil)			
CPO	198.1	125.6	+58
Palm Kernels	20.0	12.7	+57
Fresh Fruit Bunch	29.9	-	+100
Sales Volume (tonnes)			
CPO	20,010	16,006	+25
Palm Kernels	3,013	2,894	+4
Fresh Fruit Bunch	14,389	-	+100
Ave. Selling Price* (Rp/kg)			
CPO	9,903	7,849	+26
Palm Kernels	6,624	4,391	+51
Fresh Fruit Bunch	2,079	<i>Not applicable</i>	n.m.

* 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: Rp10,781 for 1H2021 and S\$1: Rp10,265 for 1H2020



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>.