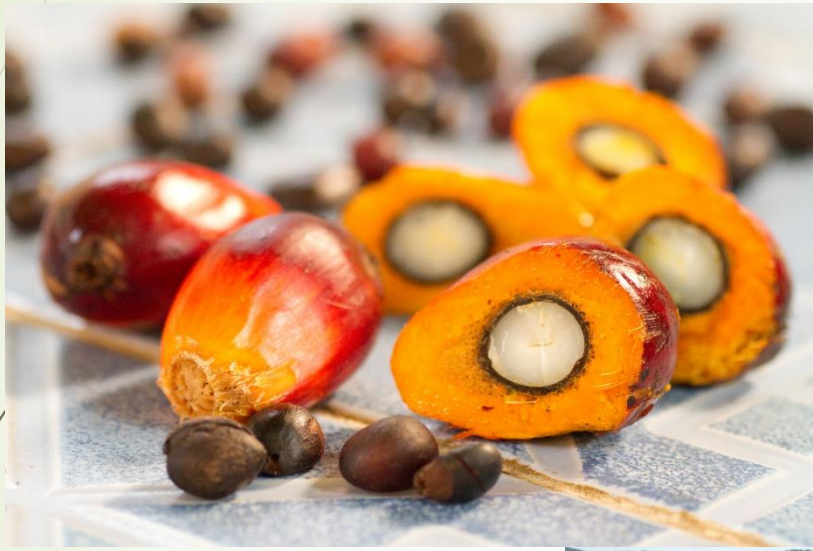


**Global Palm Resources Holdings Limited  
1H2020 Results**

**August 2020**





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# A palm oil producer in Indonesia



## Plantation (Cultivation)

In West Kalimantan, East Kalimantan and North Morowali, Indonesia

**Total land bank: 35,157 ha**

HGU: 13,493 ha

IUP license: 950 ha

Location license: 20,714 ha

Cultivated land: 13,415 ha

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

Avg FFB yield: 6.0 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

-1H2020: 69,695 tonnes processed

## Products

### Crude Palm Oil (CPO)

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

1H2020: 15,488 tonnes

### Palm Kernel (PK)

Customers: Indonesian palm kernel processing plants

1H2020: 2,495 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

## 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

## 2017

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

## 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

## 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

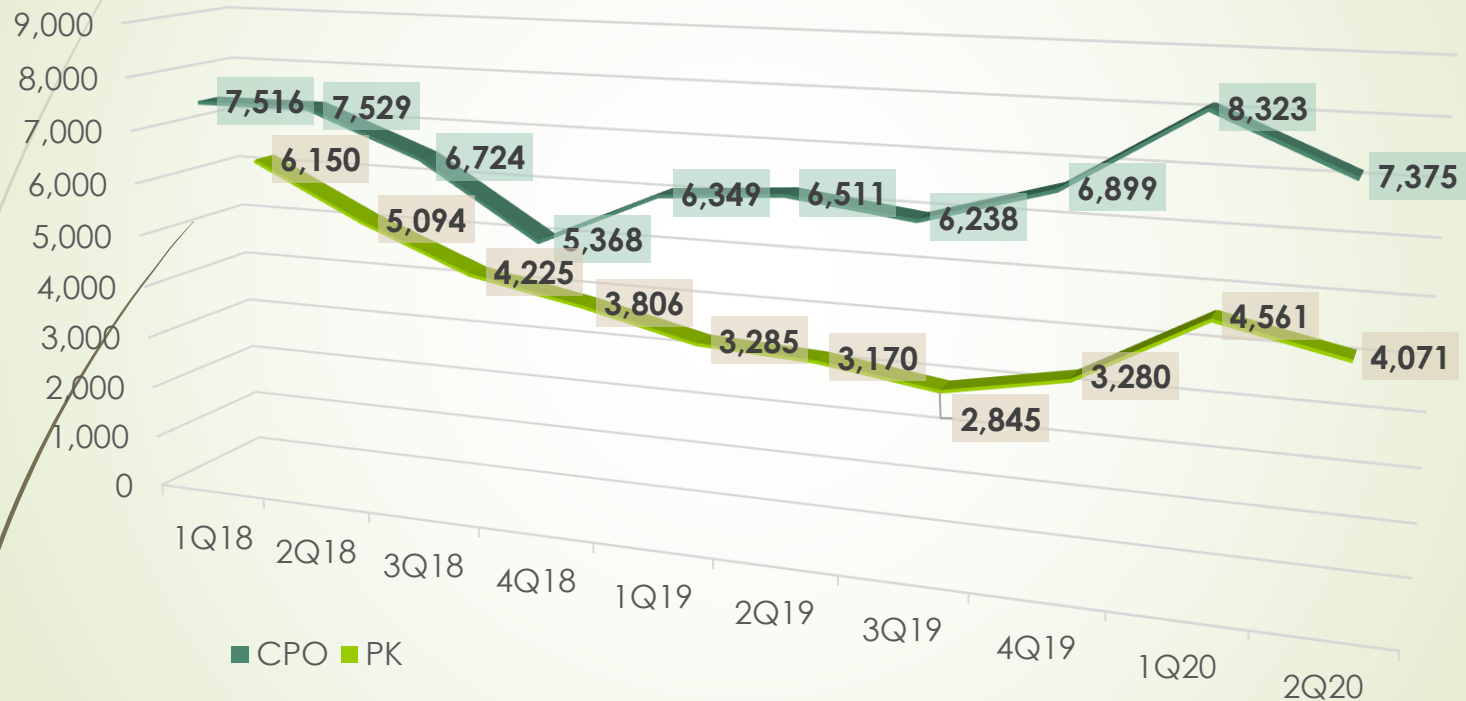
## 2019

- Successfully completed the acquisition of PT Bumi Raya Agro. Total land bank at 35,157 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)



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

# Executive Summary – 1H2020

## Financial performance

- Revenue increased 13% from Rp122.7 billion in 1H2019 to Rp138.3 billion in 1H2020
- Gross profit increased from gross loss of Rp5.8 billion in 1H2019 to Rp16.3 billion in 1H2020
- Gross profit margin increased 16.6% point from gross loss margin of 4.8% to gross profit margin of 11.8% in 1H2020

## Production statistics

- FFB processed decreased 8% from 75,292 tonnes in 1H2019 to 69,595 tonnes in 1H2020
- FFB yield decreased from 6.3 tonnes/ha in 1H2019 to 6.0 tonnes/ha in 1H2020
- CPO production decreased 6% from 16,459 tonnes in 1H2019 to 15,488 tonnes in 1H2020
- PK production decreased 22% from 3,217 tonnes in 1H2019 to 2,495 tonnes in 1H2020
- CPO extraction rate improved 0.38% point from 21.86% in 1H2019 to 22.25% in 1H2020
- PK extraction rate reduced 0.69% point from 4.27% in 1H2019 to 3.59% in 1H2020

## Plantation

- 80.2% of our palm (nucleus and plasma) in mature production stage
- 21,742 ha available for future cultivation

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

# Income Statement Highlights

Indonesian Rupiah (Billions)	1H2020	1H2019	Var %
Revenue	138.3	122.7	+13
Gross profit/(loss)	16.3	(5.9)	n.m.
Loss before tax	(4.6)	(21.3)	(78)
Net loss for the period	(4.8)	(22.0)	(78)
Loss attributable to shareholders	(4.5)	(20.9)	(78)
EBITDA	2.4	(15.3)	n.m.
Gross profit/(loss) margin (%)	11.8	(4.8)	+16.6% pts
Net loss margin (%)	(3.4)	(18.0)	(14.6% pts)
EBITDA margin (%)	1.7	(12.5)	+14.2% pts

# Segment Review

	1H2020	1H2019	Var %
<b>Sales volume (tonnes)</b>			
CPO	16,006	17,012	(6)
Palm kernels	2,894	4,254	(32)
<b>Ave. Selling Price (Rp/kg)</b>			
CPO	7,849	6,406	+23
Palm kernels	4,391	3,227	+36
<b>Revenue (Rp' billion)</b>			
CPO	125.6	109.0	+15
Palm kernels	12.7	13.7	(7)



# Financial Position Highlights

Indonesian Rupiah (Billions)	30 Jun 20	31 Dec 19	Var (%)
Total assets	670.5	702.2	(5)
Total liabilities	(77.0)	(102.8)	(25)
Current ratio (times)	9.4	6.5	+45
Net Gearing (%)	0.05%	0.08%	(0.03% pts)

# Cash Flow Statement Highlights

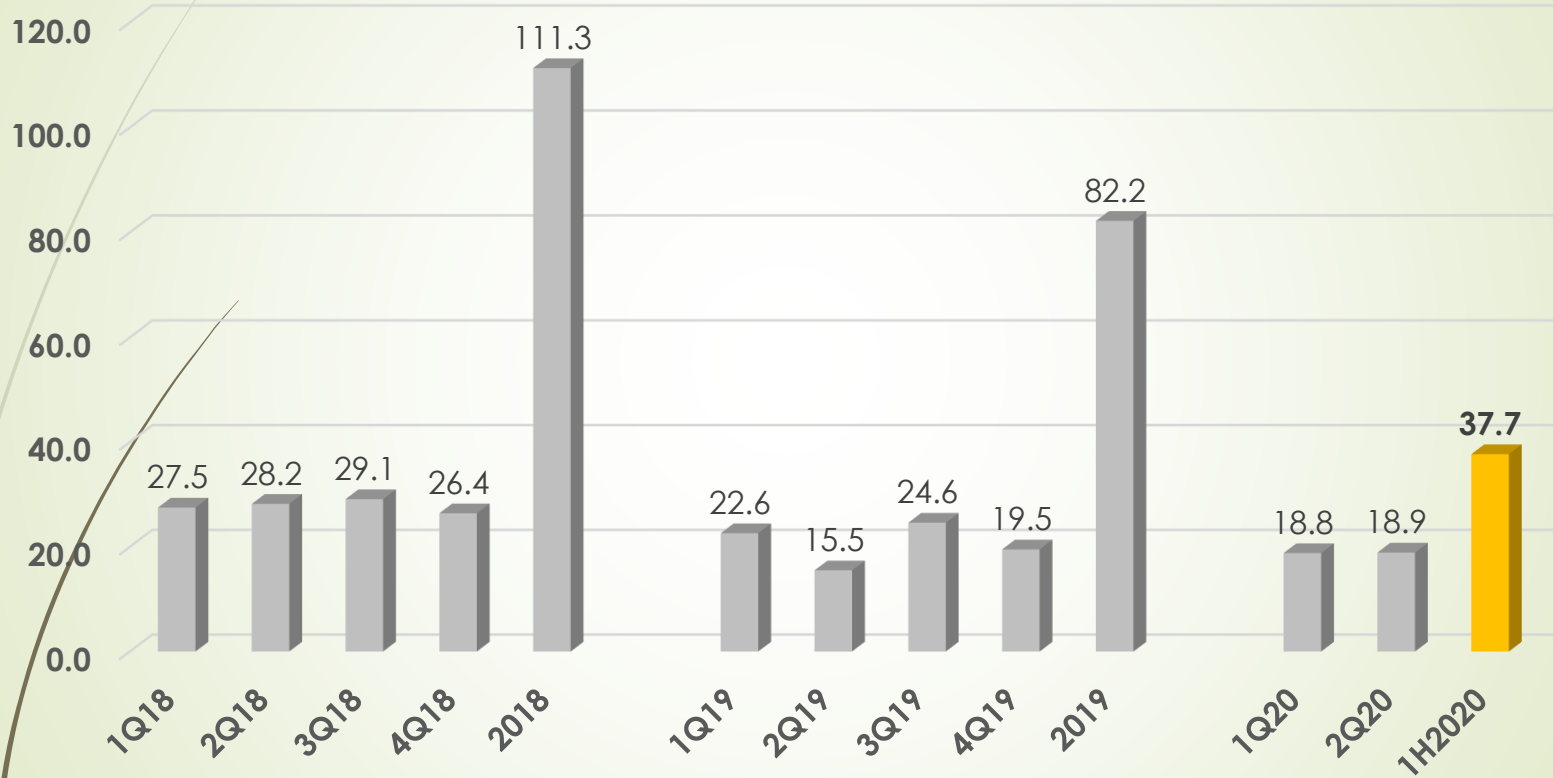
<b>Indonesian Rupiah (Billions)</b>	<b>1H2020</b>	<b>1H2019</b>
Net cash used in operating activities	<b>(21.9)</b>	(0.4)
Net cash used in investing activities	<b>(16.8)</b>	(18.5)
Net cash used in financing activities	<b>(0.9)</b>	(1.1)
Cash on hand and in banks at the beginning of the year	<b>263.1</b>	289.1
Effects of currency translation on cash and cash equivalents	<b>1.5</b>	(4.4)
Cash on hand and in banks at the end of the year	<b>225.0</b>	264.7
Net change in cash on hand and in banks	<b>(39.6)</b>	(20.0)

# Production Highlights



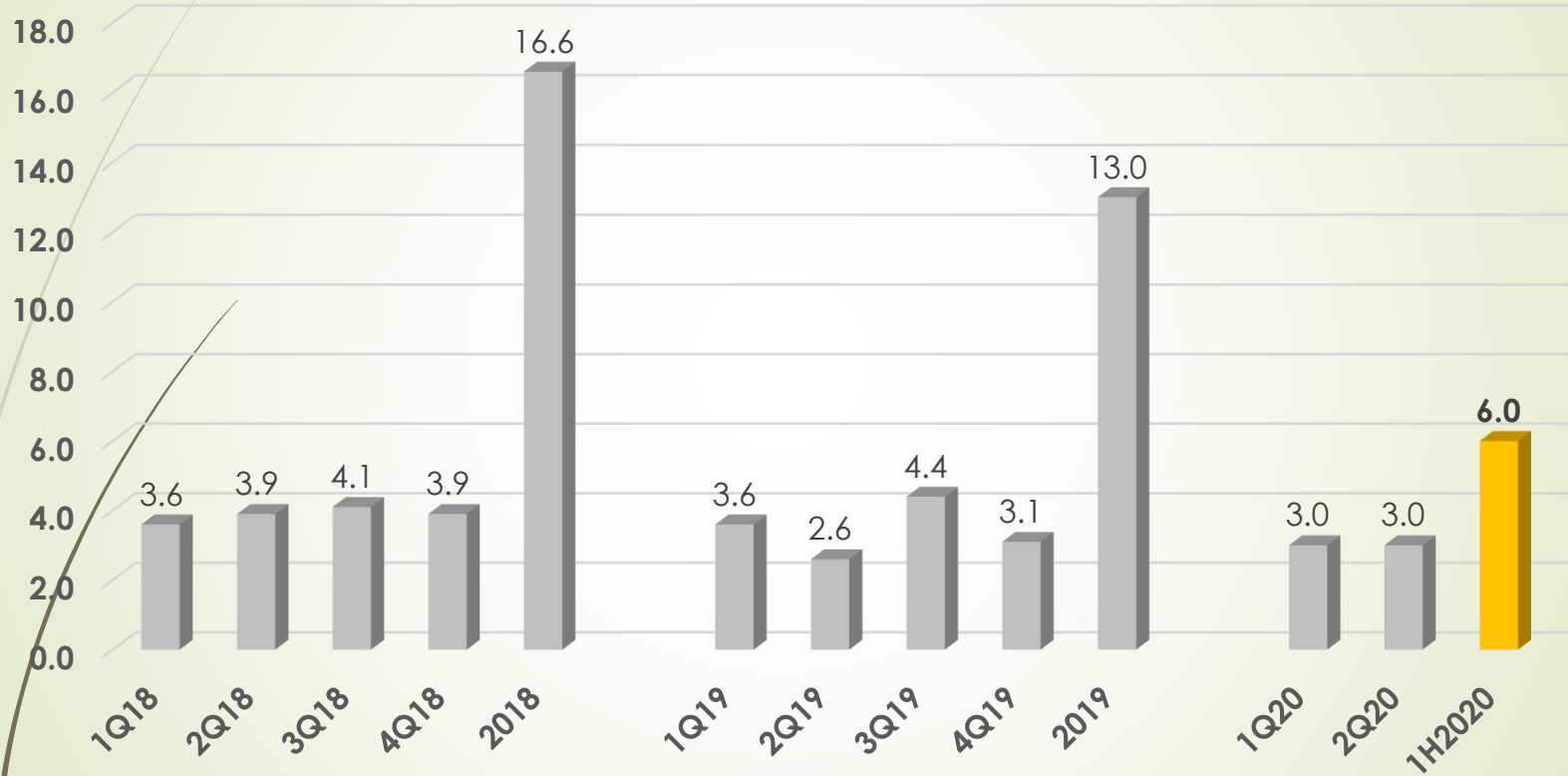
# Production Output

FFB produced ('000 tonnes) – Nucleus only



# Production Output

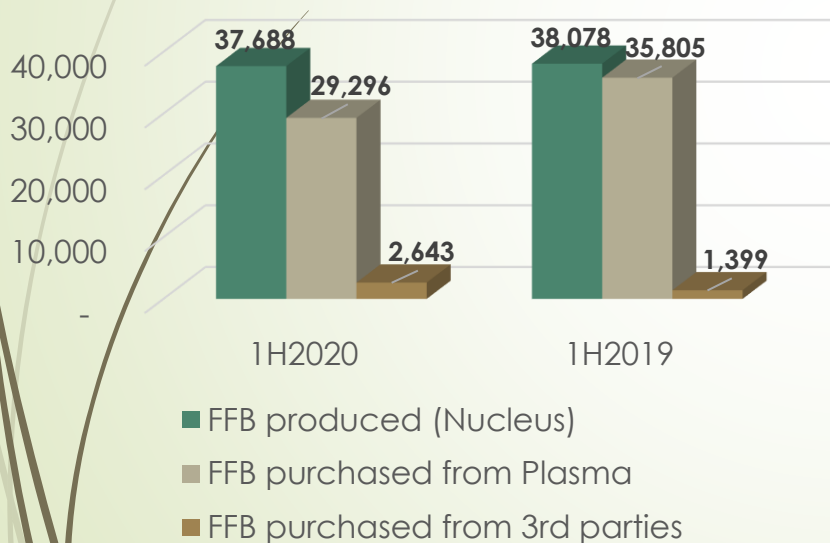
FFB yield (tonnes/ha) – Nucleus only



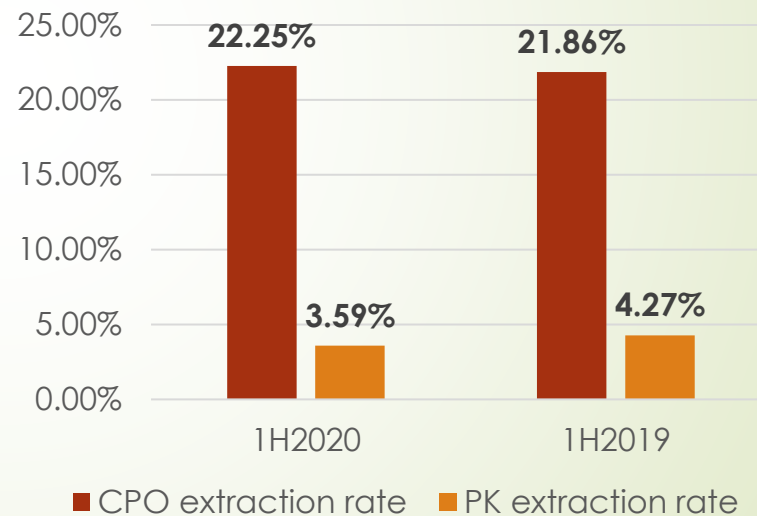
# Production Statistics

Production Output (Tonnes)	1H2020	1H2019	Var %
CPO	15,488	16,459	(6)
Palm kernels	2,495	3,217	(22)

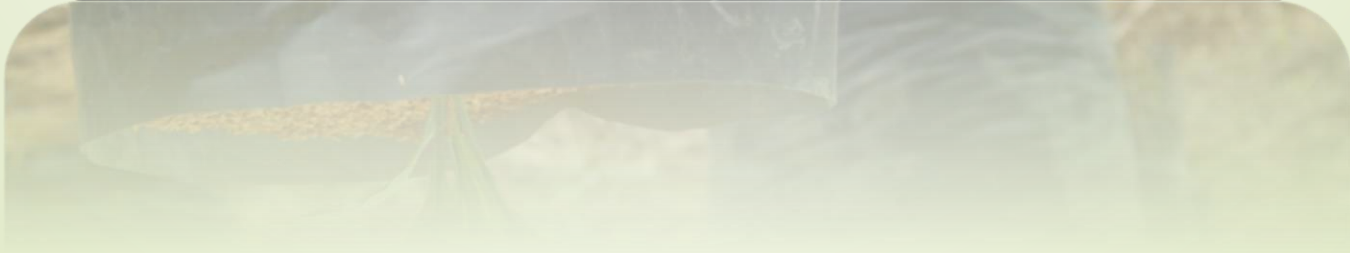
## FFB Output (Tonnes)



## Extraction rates



# Plantation Statistics



# Plantation Statistics

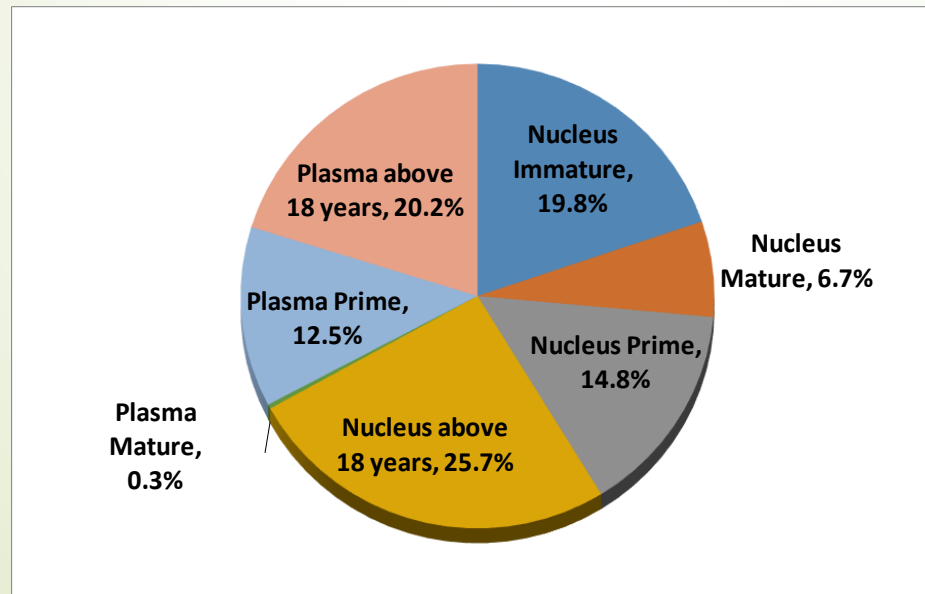
	1H2020	% of total	1H2019	% of total
<b>Total Planted Area (ha)</b>	<b>13,415</b>	<b>100%</b>	<b>13,343</b>	<b>100%</b>
Mature	10,759	80.2%	10,427	78.1%
Immature	2,656	19.8%	2,916	21.9%

- **Total land bank 35,157 ha**
  - HGU: 13,493 ha
  - IUP license: 950 ha
  - Location license: 20,714 ha
- **21,742 ha available for future cultivation**



# Age Profile @ 30 June 2020

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**

- 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 7,154 ha of land in Muara Lesan Village and Lesan Dayak Village, both located in Berau Regency, East 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