

Press Release

Global Palm posts lower 2Q2015 net profit to Rp3.4 billion due to lower CPO and PK average selling prices

- CPO average selling prices decreased 15% to Rp7,194/kg in 2Q2015 from Rp8,472/kg in 2Q2014
- PK average selling prices decreased 30% to Rp3,849/kg in 2Q2015 from Rp5,509/kg in 2Q2014

Financial highlights for the period ended 30 June:

Rp'bil	2Q2015	2Q2014	% Chg	1H2015	1H2014	% Chg
Revenue	79.7	97.0	(18)	168.4	191.1	(12)
Gross profit	17.9	38.7	(54)	43.3	73.4	(41)
Gross profit margin (%)	22.5	39.8	-17.3 % pts	25.7	38.4	-12.7 % pts
EBITDA	5.7	25.2	(77)	5.7	61.8	(65)
Profit before income tax	5.5	25.1	(78)	20.7	61.1	(66)
Net profit attributable to equity holders	3.0	15.4	(80)	15.1	43.5	(65)

SINGAPORE – 14 August 2015 – 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 Rp3.0 billion for the quarter ended 30 June 2015 (“2Q2015”), a 80% decrease from Rp15.4 billion in 2Q2014.

The Group’s revenue for 2Q2015 decreased 18% to Rp79.7 billion, mainly due to lower average selling prices for crude palm oil (“CPO”) and palm kernel (“PK”). As a result of the lower revenue, the Group’s gross profit decreased from Rp38.7 billion in 2Q2014 to Rp17.9 billion in 2Q2015. Gross profit margin decreased 17.3% points to 22.5%, from 39.8% as compared to a year ago.

Average Selling Prices and Tonnage Sales

Average selling prices of CPO decreased from Rp8,472/kg in 2Q2014 to Rp7,194/kg in 2Q2015. Average selling prices of PK has also decreased from Rp5,509/kg in 2Q2014 to Rp3,849/kg in 2Q2015.

CPO sales volume increased 42 tons from 9,964 tons in 2Q2014 to 10,006 tons in 2Q2015. Sales volume of PK decreased 285 tons from 2,285 tons in 2Q2014 to 2,000 tons in 2Q2015.

Operational Performance

As of 30 June 2015, the Group's total planted area (nucleus and plasma) totalled 13,667 ha, of which 96% or 13,186 ha comprise mature oil palm trees. FFB yield for the quarter remained stable at 4.0 tons/ha compared to 4.6 tons/ha quarter-to-quarter.

Overall, the Group's efficiency levels remained stable for the quarter with a CPO extraction rate of 21.0% and palm kernel extraction rate of 3.8%.

Production statistics:

<u>Production Output</u> <u>(Tons)</u>	<u>2Q2015</u>	<u>2Q2014</u>	<u>Var %</u>	<u>1H2015</u>	<u>1H2014</u>	<u>Var %</u>
CPO	12,640	12,551	+1	23,145	23,098	+1
Palm kernels	2,306	2,492	(7)	4,430	4,777	(7)

Outlook and future plans

The demand for palm oil is expected to remain stable in view of rising food requirements from China, India, Indonesia and emerging markets, as well as demand from the biofuel, oleochemicals and compound feed industries. Reason for the drop in price of CPO is due to the increase in supply of edible oil crops, including palm oil.

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.

Dr Suparno Adijanto (陳洪傑), Executive Chairman and CEO said, "CPO prices remained subdued in 2Q2015 amid the uncertainty in the global economy. We expect to see some support in prices from the implementation of biofuel policies in Indonesia. We will continue to keep our operating costs relatively stable in this volatile global economy. We remain positive that the global demand for palm oil in the long run is sustainable and will continue to work hard at improving productivity and cost efficiency of our plantation."

Segment Review

	2Q2015	2Q2014	% Chg	1H2015	1H2014	% Chg
Revenue (Rp' bil)						
CPO	72.0	84.4	(15)	151.4	169.5	(11)
Palm Kernels	7.7	12.6	(39)	17.0	21.7	(21)
Sales Volume (tons)						
CPO	10,006	9,964	+1	20,211	19,968	+1
Palm Kernels	2,000	2,285	(12)	4,000	4,255	(6)
Ave. Selling Price* (Rp/kg)						
CPO	7,194	8,472	(15)	7,490	8,484	(12)
Palm Kernels	3,849	5,509	(30)	4,258	5,096	(16)

* 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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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

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 approximately 1,400 surrounding small landholders in the development of small oil palm plantations, under its Plasma Programme.

Another area of focus of 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>.