



**Global Palm Resources  
Holdings Limited  
2Q/ 1H2015 Results**

**August 2015**



# A palm oil producer in Indonesia



## Plantation (Cultivation)

In West Kalimantan, Indonesia

### As at 30 June 2015:

Total land bank: 16,079 ha

Cultivated land: 13,667 ha

Mature<sup>(1)</sup> area: 13,186 ha

Avg FFB yield: 3.3 tons/ha

<sup>(1)</sup> Mature: Oil palms > 3 years old

## Mill (FFB Processing)

Process FFB harvested from Nucleus; purchased from Plasma farmers and from other nearby plantations

### FFB processing capability:

-60 tons/hr

-360,000 tons/yr

-1H2015: 109,526 tons processed

## Products

### Crude Palm Oil (CPO)

Customers: Indonesian palm oil refineries and palm oil bulking facilities; commodity traders  
1H2015: 23,145 tons

### Palm Kernel (PK)

Customers: Indonesian palm kernel processing plants  
1H2015: 4,430 tons

# Salient Highlights for 2Q2015



## Financial performance

- EBITDA at Rp5.7 billion
- Revenue decreased 18% to Rp79.7 billion:
  - CPO sales revenue decreased 15% to Rp72.0 billion mainly due to lower CPO average selling price
  - PK sales revenue decreased 39% to Rp7.7 billion mainly due to lower PK average selling price and lower PK sales volume
- Cost of sales increased 6% to Rp61.8 billion mainly due to higher indirect material used (which comprised mainly cost of fertilizers)
- Gross profit decreased 54% to Rp17.9 billion
  - Gross profit margin decreased to 22.5% in 2Q2015 from 39.8% in 2Q2014

## Production statistics

- Stable extraction rates for CPO and PK
- FFB yield remained stable at 4.0 tons/ha in 2Q2015 as compared to 4.6 tons/ha in 1Q2014
- CPO production increased to 12,640 tons in 2Q2015 from 12,551 tons in 2Q2014
- PK production decreased to 2,306 tons in 2Q2015 from 2,492 tons in 2Q2014

## Plantation

- 96.5% of our palm in mature production stage
- 2,412 ha available for future cultivation

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

# P&L Highlights



Indonesian Rupiah (Billions)	2Q15	2Q14	Var %	1H15	1H14	Var %
Revenue	79.7	97.0	(18)	168.4	191.1	(12)
Gross profit (GP)	17.9	38.7	(54)	43.3	73.4	(41)
Profit before tax	5.5	25.1	(78)	20.7	61.1	(66)
Net Profit for the period	3.5	16.5	(79)	16.1	45.6	(65)
Profit attributable to shareholders	3.0	15.4	(80)	15.1	43.5	(65)
EBITDA	5.7	25.2	(77)	21.4	61.8	(65)
GP margin (%)	22.5	39.8	(17.3) % pts	25.7	38.4	(12.7) % pts
NP margin (%)	4.3	17.1	(12.8) % pts	9.6	23.9	(14.3) % pts
EBITDA margin (%)	7.1	26.0	(18.9) % pts	12.7	32.4	(19.7) % pts

# Segment Review



	2Q15	2Q14	Var %	1H15	1H14	Var %
<b>Sales volume (tons)</b>						
CPO	10,006	9,964	+1	20,211	19,968	+1
Palm kernels	2,000	2,285	(12)	4,000	4,255	(6)
<b>Ave. Selling Price (Rp/kg)</b>						
CPO	7,194	8,472	(15)	7,490	8,484	(12)
Palm kernels	3,849	5,509	(30)	4,258	5,096	(16)
<b>Revenue (Rp' billion)</b>						
CPO	72.0	84.4	(15)	151.4	169.4	(11)
Palm kernels	7.7	12.6	(39)	17.0	21.7	(21)

# Balance Sheet Highlights



<b>Indonesian Rupiah (Billions)</b>	<b>30 June 15</b>	<b>31 Dec 14</b>	<b>Var (%)</b>
Total assets	1,218.6	1,235.4	n.m.
Total liabilities	(205.4)	(225.1)	(7)
Current ratio (times)	9.5	7.1	+2.0
Net Gearing (%)	-	-	-

# Cash Flow Statement Highlights



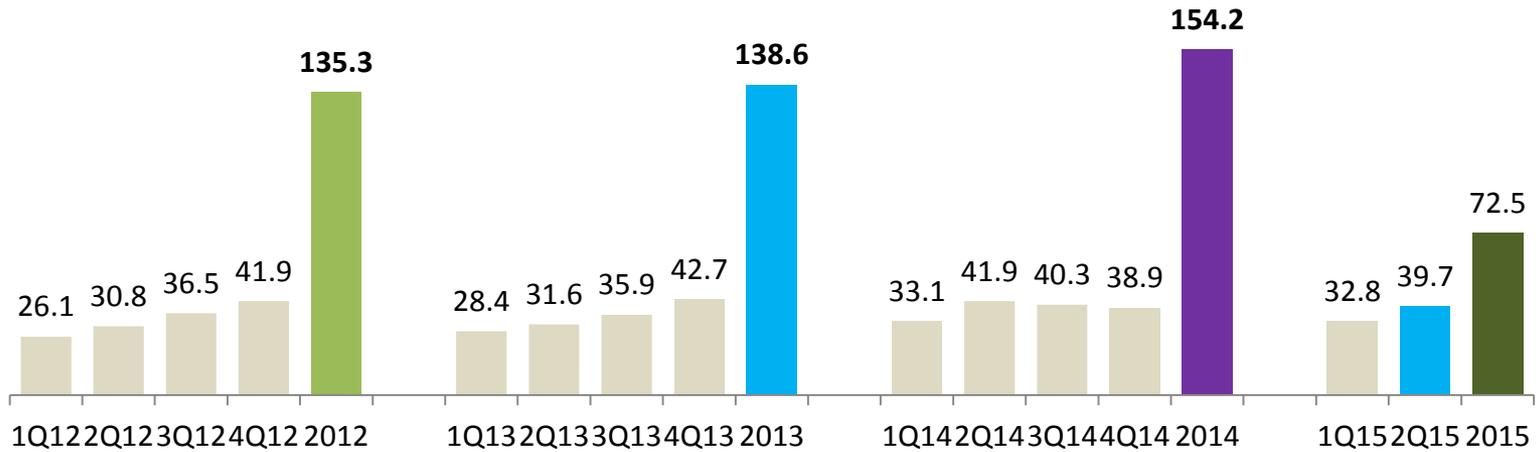
<b>Indonesian Rupiah (Billions)</b>	<b>2Q15</b>	<b>2Q14</b>	<b>1H15</b>	<b>1H14</b>
Net cash used in operating activities	(0.6)	14.1	(16.0)	37.9
Net cash used in investing activities	(11.7)	(5.6)	(20.2)	(11.9)
Net cash used in financing activities	(29.2)	(16.5)	(30.8)	(16.5)
Cash on hand and in banks at the beginning of the period	394.5	357.0	412.7	354.5
Effects of currency translation on cash and cash equivalents	6.0	12.0	13.2	(3.0)
Cash on hand and in banks at the end of the period	358.9	361.0	358.9	361.0
Net change in cash on hand and in banks	(41.5)	(7.9)	(67.0)	9.5



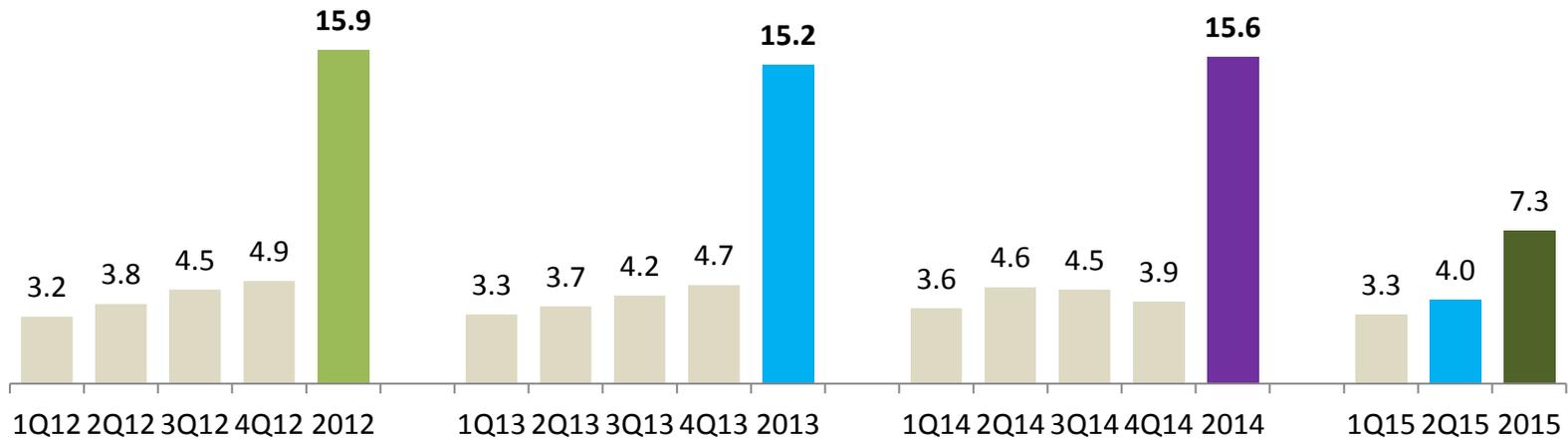
## Production Highlights

# Production Output

FFB produced ('000 tons)  
- Nucleus only



FFB yield (tons/ha)  
- Nucleus only

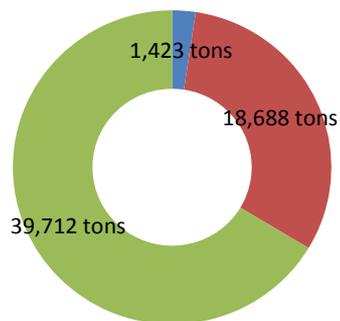


# Production Statistics



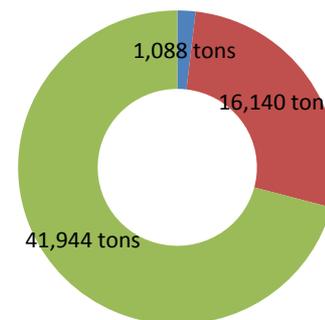
Production Output (Tons)	2Q15	2Q14	Var %	1H15	1H14	Var %
CPO	12,640	12,551	+1	23,145	23,098	+1
Palm kernels	2,306	2,492	(7)	4,430	4,777	(7)

## 2Q15



- FFB purchased from 3rd party
- FFB purchased from Plasma
- Total FFB produced (Nucleus)

## 2Q14



- FFB purchased from 3rd party
- FFB purchased from Plasma
- Total FFB produced (Nucleus)



## Plantation Statistics

# Plantation statistics

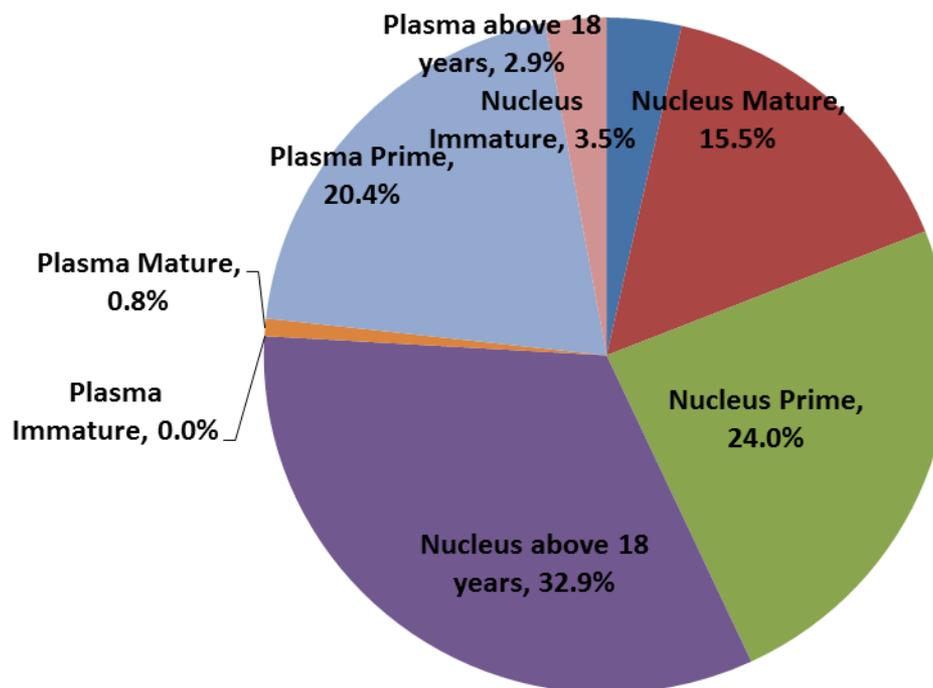


	1H2015	% of total	1H2014	% of total
<b>Total Planted Area (ha)</b>	<b>13,667</b>	<b>100%</b>	<b>13,619</b>	<b>100%</b>
Mature	13,186	96.5%	12,218	90.0%
Immature	481	3.5%	1,401	10.0%

- **Total land bank 16,079 ha**
- **2,412 ha available for future cultivation**

# Age Profile @ 30 June 2015

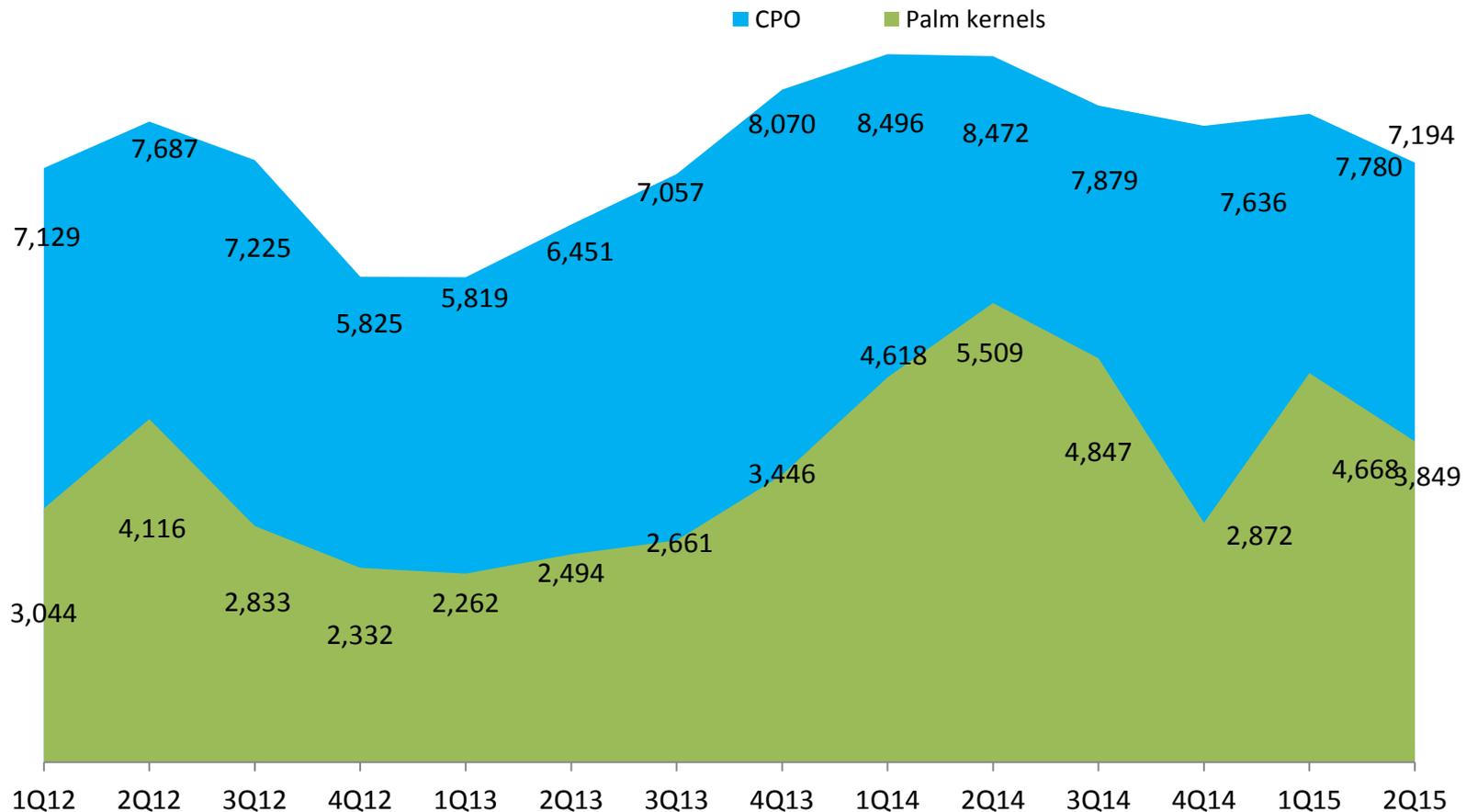
Area cultivated	First 3 years (Immature)	4 - 6 years (Mature)	7 - 18 years (Prime)	Above 18 years	Total
Nucleus (ha)	481	2,118	3,286	4,490	10,375
Plasma (ha)	-	114	2,784	394	3,292
Total (ha)	481	2,232	6,070	4,884	13,667
% of cultivated area	3.5%	16.3%	44.4%	35.8%	100%



# Industry Outlook and Business Strategies



# 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

# Strategies And Future Plans



## **Develop uncultivated land bank**

- Land location permit obtained for 7,170 ha of land in East Kalimantan
- Land location permit obtained for 6,546 ha of land in West Kalimantan

## **Actively pursue potential acquisitions targets**



## **Co-Composting plant**

- Yielding cost savings from use of organic compost fertilisers from our plantation's EFB and POME

## **Increase yield**

- From plantation
- From mill

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



**Thank you  
Q & A session**

