



Global Palm Resources Holdings Limited 4Q2017/FY2017 Results

March 2018

Growing Value
Driving Sustainability

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A palm oil producer in Indonesia



Plantation (Cultivation)

In West Kalimantan, Indonesia

As at 31 December 2017:

Total land bank: 16,079 ha

Cultivated land: 13,420 ha

Mature⁽¹⁾ area: 11,925 ha

Avg FFB yield: 17.7 tons/ha

⁽¹⁾ 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 tons/hr

-360,000 tons/yr

-FY2017: 232,458 tons processed

Products

Crude Palm Oil (CPO)

Customers: Indonesian palm oil refineries and palm oil bulking facilities; commodity traders
FY2017: 50,034 tons

Palm Kernel (PK)

Customers: Indonesian palm kernel processing plants
FY2017: 8,172 tons

Executive Summary – FY2017



Financial performance

- Revenue increased by 19% YoY to Rp460.3 billion.
- Gross profit increased by 21% YoY to Rp111.3 billion.
- Gross profit margin increased by 0.4% point YoY to 24.2%.
- EBITDA increased by 8% to Rp78.4 billion.

Production statistics

- FFB processed increased by 7% YoY to 232,458 tons.
- FFB yield increased by 9% YoY to 17.7 tons/ha.
- CPO production increased by 8% YoY to 50,034 tons.
- PK production increased by 5% YoY to 8,172 tons.
- CPO extraction rate increased by 0.1% point YoY to 21.5%.
- PK extraction rate remained stable at 3.6%.

Plantation

- 88.9% of our palm in mature production stage.
- Replanted approximately 619 ha in FY2017.
- 2,659 ha available for future cultivation.

To expand our operations via organic growth and acquisitions

Income Statement Highlights



Indonesian Rupiah (Billions)	4Q2017	4Q2016	Var %	FY2017	FY2016	Var %
Revenue	105.7	122.2	(13)	460.3	385.7	+19
Gross profit (GP)	22.7	33.3	(32)	111.3	91.7	+21
Profit before tax	1.8	25.0	(93)	69.9	69.9	n.m.
Net (loss)/profit for the year	(3.6)	13.0	n.m.	45.6	48.5	(6)
(Loss)/profit attributable to shareholders	(3.9)	12.4	n.m.	42.7	46.4	(8)
EBITDA	4.7	29.7	(84)	78.4	72.6	+8
GP margin (%)	21.5	27.2	(5.7 % pts)	24.2	23.8	+0.4 % pts
NP margin (%)	(3.4)	10.7	(14.1 % pts)	9.9	12.6	(2.7) % pts
EBITDA margin (%)	4.4	24.3	(19.9 % pts)	17.0	18.8	(1.8) % pts

Segment Review



	4Q2017	4Q2016	Var %	FY2017	FY2016	Var %
Sales volume (tons)						
CPO	11,737	15,811	(26)	50,034	46,291	+8
Palm kernels	2,362	2,573	(8)	8,372	7,754	+8
Ave. Selling Price (Rp/kg)						
CPO	7,977	7,884	+1%	8,009	7,467	+7
Palm kernels	6,979	5,857	+19	5,646	5,099	+11
Revenue (Rp' billion)						
CPO	91.8	110.4	(17)	415.1	344.8	+20
Palm kernels	14.0	11.7	+19	45.2	41.0	+10

Financial Position Highlights



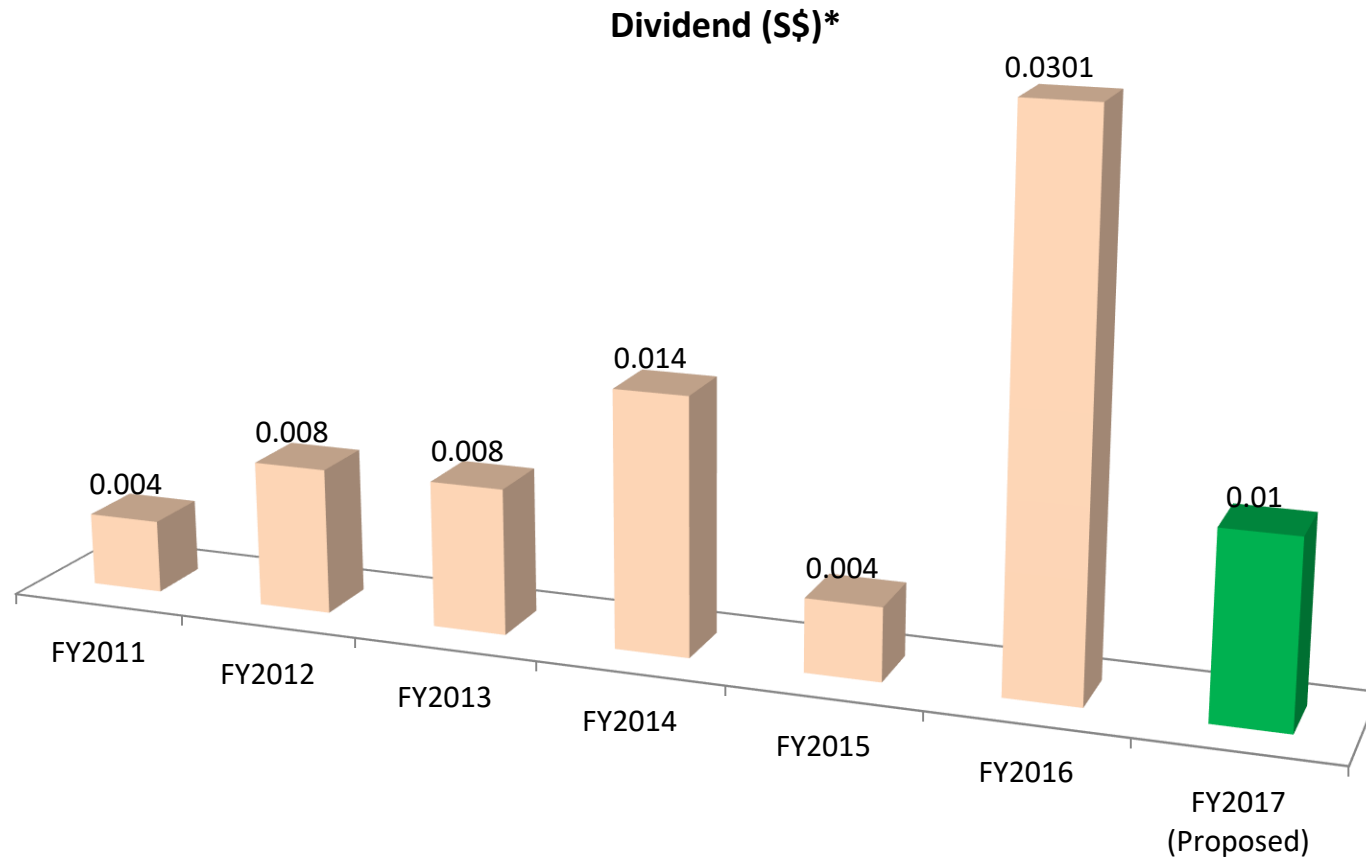
Indonesian Rupiah (Billions)	31 Dec 17	31 Dec 16	Var (%)
Total assets	756.5	764.2	(1)
Total liabilities	(98.4)	(108.0)	(9)
Current ratio (times)	8.9	7.2	(24)
Net Gearing (%)	n.m.	n.m.	n.m.

Cash Flow Statement Highlights



Indonesian Rupiah (Billions)	4Q2017	4Q2016	FY2017	FY2016
Net cash (used in)/from operating activities	(5.3)	25.4	81.7	105.0
Net cash used in investing activities	(12.4)	(5.9)	(22.3)	(20.9)
Net cash used in financing activities	(1.5)	(5.3)	(69.1)	(19.5)
Cash on hand and in banks at the beginning of the period	397.0	361.7	372.9	319.5
Effects of currency translation on cash and cash equivalents	5.1	(2.9)	19.6	(11.1)
Cash on hand and in banks at the end of the period	382.8	372.9	382.8	372.9
Net change in cash on hand and in banks	(19.2)	14.2	(9.7)	64.6

Dividend



*
As at 31 December 2017, the number of ordinary shares in issue was 206,484,000 of which 10,029,700 were held by the Company as treasury shares (31 December 2016: 206,484,000 ordinary shares of which 6,700,100 were held as treasury shares).

On 8 December 2015, the Company consolidated every two existing issued ordinary shares into one ordinary share in the capital of the Company.

Dividend per share for FY2011 to FY2014 is calculated based on the assumption that the shares has been consolidated 2:1.

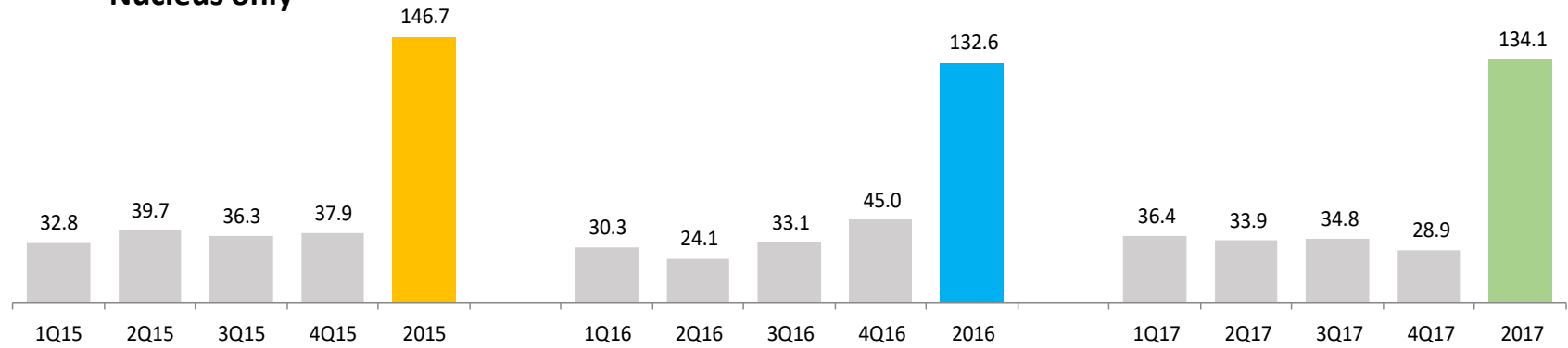
Production Highlights



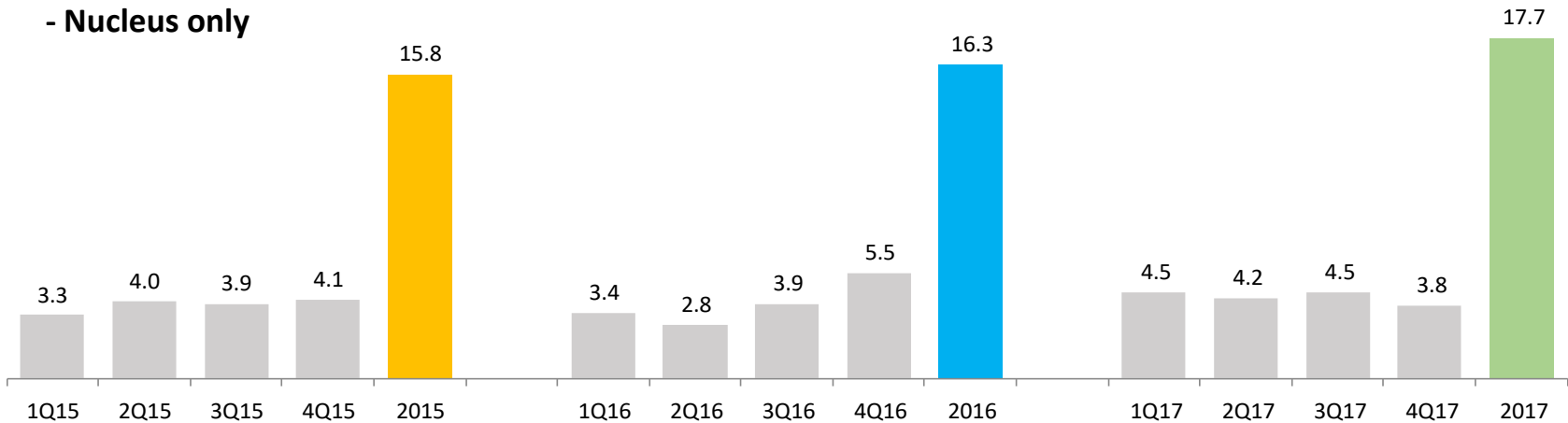
Production Output



**FFB produced ('000 tons)
– Nucleus only**



**FFB yield (tons/ha)
- Nucleus only**

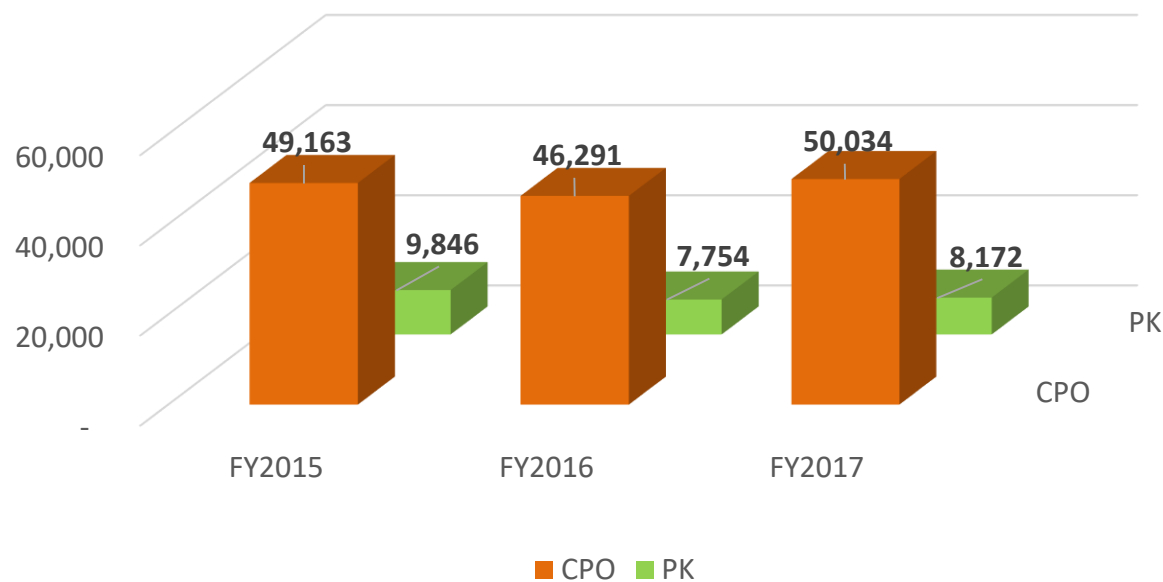


Production Statistics

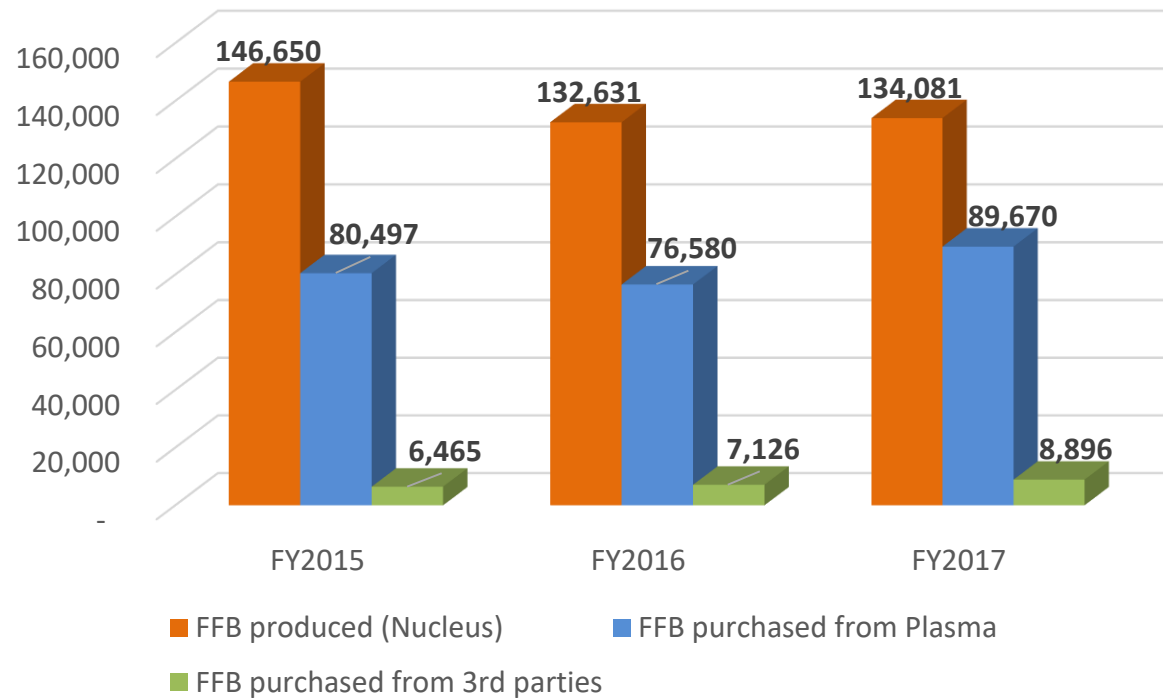


Production Output (Tons)	4Q2017	4Q2016	Var %	FY2017	FY2016	Var %
CPO	11,737	15,811	(26)	50,034	46,291	+8
Palm Kernels	2,162	2,573	(16)	8,172	7,754	+5

Production Output (Tons)



FFB Output (Tons)



Plantation Statistics



Plantation statistics

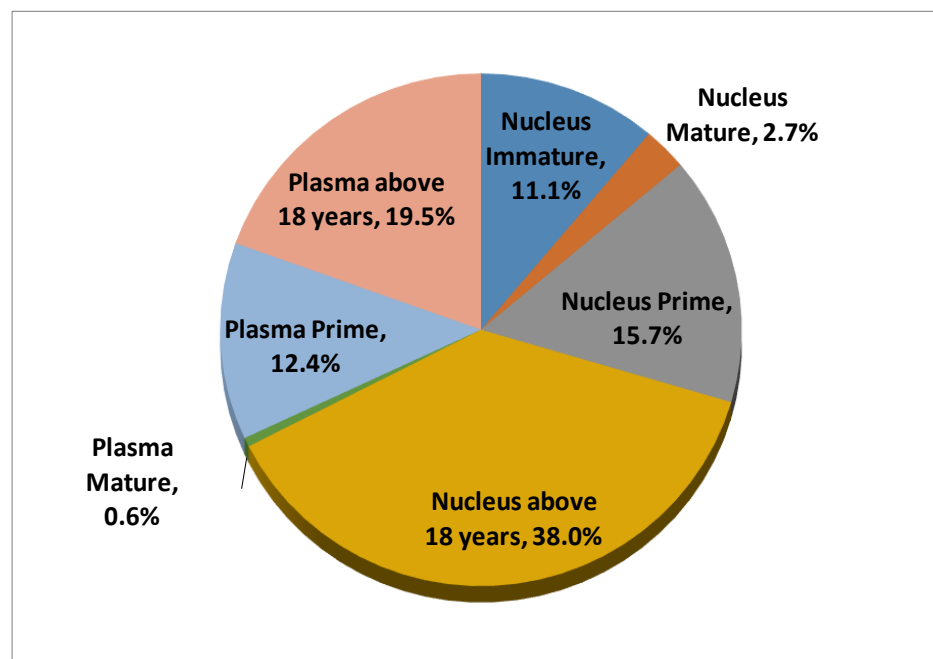


	FY2017	% of total	FY2016	% of total
Total Planted Area (ha)	13,420	100%	13,480	100%
Mature	11,925	88.9%	12,503	92.8 %
Immature	1,495	11.1%	977	7.2%

- **Total land bank 16,079 ha**
- **Cleared approximately 619 ha in FY2017 for replanting**
- **2,659 ha available for future cultivation**

Age Profile @ 31 December 2017

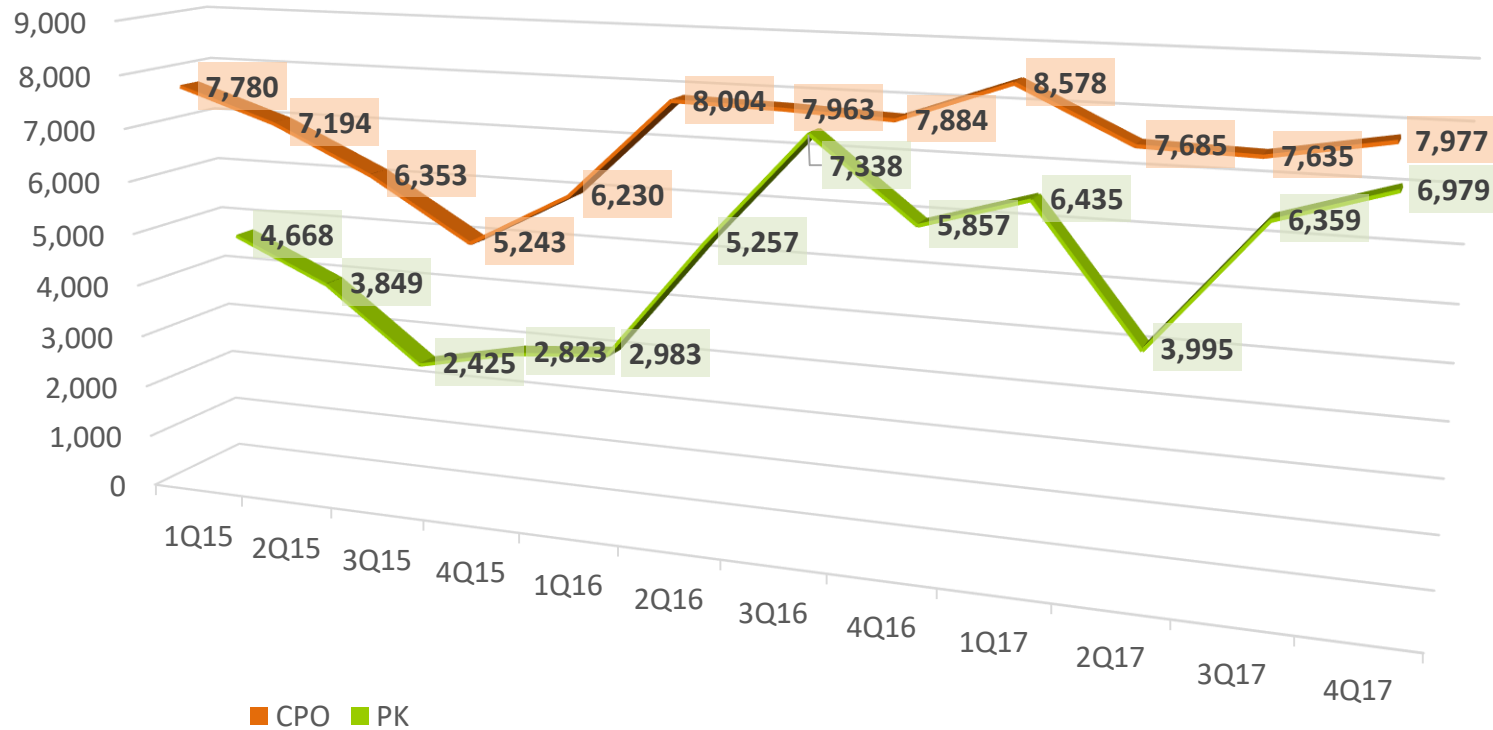
Area cultivated	First 3 years (Immature)	4 - 6 years (Mature)	7 - 18 years (Prime)	Above 18 years	Total
Nucleus (ha)	1,495	365	2,107	5,089	9,056
Plasma (ha)	0	77	1,668	2,619	4,364
Total (ha)	1,495	442	3,775	7,708	13,420
% of cultivated area	11.1%	3.3%	28.1%	57.5%	100.0%



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

Expansion

Develop uncultivated land bank

- Land location permit obtained for 7,170 ha of land in Muara Lesan Village and Lesan Dayak Village, both located in Berau Regency, East Kalimantan
- Land location permit obtained for 6,546 ha of land in sub-districts of Ngabang and Jelimpo, both located in Landak Regency, West Kalimantan

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 6,429 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 mill

Continue to exercise prudence in expenditures