

GLOBAL PALM RESOURCES HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 200921345M)

UPDATE AND CHANGE IN USE OF IPO PROCEEDS

The board of directors (the "**Board**" or the "**Directors**") of Global Palm Resources Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's prospectus dated 21 April 2010 (the "**Prospectus**") in relation to the initial public offering of the Company's shares (the "**IPO**") on 28 April 2010 and the Company's announcement on 27 May 2013 ("**2013 Announcement**") in relation to the change in use of proceeds from the IPO ("**IPO Proceeds**").

Unless otherwise defined herein, all capitalised terms used in this announcement shall have the same meanings ascribed to them in the Prospectus and the 2013 Announcement.

Further to the 2013 Announcement, the Board wishes to provide the following updates on the change in use of IPO Proceeds:

1. The Board is of the view that the balance IPO Proceeds for the acquisition of other oil palm plantations and land banks and construction of the co-composting plant are not expected to be fully utilised in the near future. Accordingly, after careful deliberation, the Board has decided to re-allocate such balance amounts to the development of existing uncultivated land banks into oil palm plantations.
2. Additionally, as the Group intends to continue replanting older palm trees with newer breeds of higher-yielding palm trees to ensure its long-term sustainability, the Board anticipates that the Group will continue to incur replanting expenses. The Board believes that such replanting will lead to higher yield per hectare in the future when the replanted palm trees reach maturity. Accordingly, after careful deliberation, the Board has decided to include replanting expenses within the balance amount of IPO Proceeds initially intended to be used for development of existing uncultivated land banks into oil palm plantations.

Further to the above, the IPO Proceeds will be re-allocated as follows:

Use of IPO Proceeds	Amount allocated (as disclosed in the announcement dated 27 May 2013) (S\$ million)	Revised amount allocated (S\$ million)	Amount utilised (S\$ million)	Balance Amount (based on revised allocation) (S\$ million)
Development of existing uncultivated land banks into oil palm plantations and replanting of the Group's palm trees ⁽¹⁾	15.61	20.24 ⁽²⁾	13.34	6.90
Acquisition of other oil palm plantations and land banks	15.00	10.88 ⁽³⁾	10.88	-
Repayment of the loans to PT Bank CIMB Niaga Tbk ("Bank Niaga")	5.00	5.00	5.00	-
Construction of the co-composting plant	2.00	1.49 ⁽⁴⁾	1.49	-
Working capital	9.50	9.50	9.50	-
Invitation expenses	3.49	3.49	3.49	-
Total	50.60	50.60	43.70	6.90

NOTES:

- (1) In addition to the use of IPO Proceeds for the development of existing uncultivated land banks into oil palm plantations, the Company intends to allocate some of the IPO Proceeds initially intended for this purpose to also be used for the replanting of older palm trees with newer breeds of higher-yielding palm trees.
- (2) The Company has re-allocated S\$4.12 million of the IPO Proceeds for the acquisition of other oil palm plantations and land banks, and S\$510,000 of the IPO Proceeds for construction of the co-composting plant, to development of existing uncultivated land banks into oil palm plantations and replanting of the Group's palm trees. Upon such re-allocation, the principal intended use of the IPO Proceeds for the development of existing uncultivated land banks into oil palm plantations will be increased from S\$15.61 million to S\$20.24 million.
- (3) Out of S\$15.0 million allocated for the acquisition of other oil palm plantations and land banks as disclosed in the Prospectus, the remaining S\$4.12 million will be re-allocated to the development of existing uncultivated land banks into oil palm plantations and replanting of older palm trees with newer breeds of higher-yielding palm trees.
- (4) Out of S\$2.0 million allocated for the construction of the co-composting plant as disclosed in the Prospectus, the remaining S\$510,000 will be re-allocated to the development of existing uncultivated land banks into oil palm plantations and replanting of older palm trees with newer breeds of higher-yielding

palm trees.

The Board believes that the re-allocation of IPO Proceeds as set out above is in the best interests of the Group and will further maximise shareholder value.

The Company will make the necessary announcements on the allocation and use of the IPO Proceeds on SGXNET as and when there are changes or when the funds are materially disbursed. The Company will also provide a status report on such use of the IPO Proceeds in the annual reports and financial results of the Company.

BY ORDER OF THE BOARD

DR TAN HONG KIAT @ SUPARNO ADIJANTO
Executive Chairman and Chief Executive Officer

7 October 2021