

Press Release

Global Palm posts lower 1Q2015 net profit to Rp12.7 billion due to lower CPO average selling prices

- CPO average selling prices decreased 8% to Rp7,780/kg in 1Q2015 from Rp8,496/kg in 1Q2014
- Improved volume sales for both CPO and PK

Financial highlights for the period ended 31 March:

Rp'bil	1Q2015	1Q2014	% Chg
Revenue	88.7	94.1	(6)
Gross profit	25.4	34.8	(27)
Gross profit margin (%)	28.6	37.0	-8.4 % pts
EBITDA	15.7	36.6	(57)
Profit before income tax	15.2	36.0	(58)
Net profit attributable to equity holders	12.1	28.1	(57)

SINGAPORE – 13 May 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 Rp12.1 billion for the quarter ended 31 March 2015 (“1Q2015”), a 57% decrease from Rp28.1 billion in 1Q2014.

The Group’s revenue for 1Q2015 decreased 6% to Rp88.7 billion, due to lower average selling prices for crude palm oil (“CPO”), offset by higher average selling prices for palm kernel (“PK”) and improved sales volume for CPO and PK. Relatively, the Group’s gross profit decreased from Rp34.8 billion in 1Q2014 to Rp25.4 billion in 1Q2015. Gross profit margin decreased 8.4% points to 28.6%, from 37.0% as compared to a year ago.

Average Selling Prices and Tonnage Sales

Average selling prices of CPO decreased from Rp8,496/kg in 1Q2014 to Rp7,780/kg in 1Q2015. Average selling prices of PK increased from Rp4,618/kg in 1Q2014 to Rp4,668/kg in 1Q2015 respectively.

CPO sales volume increased 201 tons from 10,004 tons in 1Q2014 to 10,205 tons in 1Q2015. Sales volume of PK has also increased 50 tons from 4,618 tons in 1Q2014 to 4,668 tons in 1Q2015.

Operational Performance

As of 31 March 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 3.3 tons/ha compared to 3.6 tons/ha quarter-to-quarter.

Overall, the Group's efficiency levels remained stable for the quarter with a CPO extraction rate of 21.2% and palm kernel extraction rate of 4.3%.

Production statistics:

<u>Production Output</u> <u>(Tons)</u>	<u>1Q15</u>	<u>1Q14</u>	<u>Var %</u>
CPO	10,504	10,546	(1)
Palm kernels	2,124	2,286	(7)

Outlook and future plans

The demand for palm oil is expected to remain strong 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.

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 dropped in 1Q2015 amid the uncertainty in the global economy. CPO and derivatives prices are expected to stabilize on slowdown in output growth, biodiesel blending and stock stabilization in key destination markets. 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

	1Q2015	1Q2014	% Chg
Revenue (Rp' bil)			
CPO	79.4	85.0	(7)
Palm Kernels	9.3	9.1	+3
Sales Volume (tons)			
CPO	10,205	10,004	+2
Palm Kernels	2,000	1,970	+2
Ave. Selling Price* (Rp/kg)			
CPO	7,780	8,496	(8)
Palm Kernels	4,668	4,618	+1

* 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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The conversion rate is S\$1: Rp9,508 for 1Q2015 and S\$1: Rp9,049 for 1Q2014

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>.