

**THIRD QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT**

**PART I INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3),  
HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**

**UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT FOR THE FINANCIAL PERIOD  
FROM 1 JANUARY 2015 TO 30 SEPTEMBER 2015**

**1(a)(i) Consolidated Statements of Profit or Loss and Other Comprehensive Income (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

|   | <b>3rd Qtr 2015</b> | <b>3rd Qtr 2014</b> | <b>Change</b> | <b>YTD Sept 2015</b> | <b>YTD Sept 2014</b> | <b>Change</b> |
|---|---------------------|---------------------|---------------|----------------------|----------------------|---------------|
|   | <b>Rp '000</b>      | <b>Rp '000</b>      | <b>%</b>      | <b>Rp '000</b>       | <b>Rp '000</b>       | <b>%</b>      |
| Revenue                                 | 76,680,109          | 101,886,789         | (25)          | 245,092,546          | 292,980,499          | (16)          |
| Cost of sales                           | (65,763,714)        | (67,717,358)        | (3)           | (190,843,836)        | (185,387,457)        | 3             |
| <b>Gross profit</b>                     | <b>10,916,395</b>   | <b>34,169,431</b>   | <b>(68)</b>   | <b>54,248,710</b>    | <b>107,593,042</b>   | <b>(50)</b>   |
| <b>Operating expenses</b>               |                     |                     |               |                      |                      |               |
| Distribution expenses                   | (82,470)            | (1,536,906)         | (95)          | (363,756)            | (2,771,970)          | (87)          |
| Administrative expenses                 | (7,808,835)         | (7,068,873)         | 10            | (26,070,124)         | (22,120,076)         | 18            |
| Finance costs                           | (2,050)             | -                   | n.m.          | (6,201)              | -                    | n.m.          |
|   | (7,893,355)         | (8,605,779)         | (8)           | (26,440,081)         | (24,892,046)         | 6             |
| <b>Other items of income/(expenses)</b> |                     |                     |               |                      |                      |               |
| Interest income                         | 1,493,165           | 2,231,770           | (33)          | 6,202,285            | 6,726,066            | (8)           |
| Other income                            | 4,779,018           | 3,777,574           | 27            | 7,415,784            | 5,634,374            | 32            |
| Other expenses                          | (286,241)           | (933,343)           | (69)          | (2,186,034)          | (2,564,075)          | (15)          |
| Foreign exchange gain/(loss), net       | 2,620,671           | 2,078,857           | 26            | (6,943,204)          | 1,342,567            | (617)         |
|   | 8,606,613           | 7,154,858           | 20            | 4,488,831            | 11,138,932           | (60)          |
| <b>Profit before income tax</b>         | <b>11,629,653</b>   | <b>32,718,510</b>   | <b>(64)</b>   | <b>32,297,460</b>    | <b>93,839,928</b>    | <b>(66)</b>   |
| Income tax expense                      | (3,888,849)         | (7,991,265)         | (51)          | (8,441,841)          | (23,468,423)         | (64)          |
| <b>Profit for the financial period</b>  | <b>7,740,804</b>    | <b>24,727,245</b>   | <b>(69)</b>   | <b>23,855,619</b>    | <b>70,371,505</b>    | <b>(66)</b>   |
| <b>n.m.:</b> Not meaningful             |                     |                     |               |                      |                      |               |

|   | 3rd Qtr 2015      | 3rd Qtr 2014      | Change      | YTD Sept 2015     | YTD Sept 2014     | Change      |
|---|-------------------|-------------------|-------------|-------------------|-------------------|-------------|
|   | Rp '000           | Rp '000           | %           | Rp '000           | Rp '000           | %           |
| <b>Other comprehensive income:</b>  |                   |                   |             |                   |                   |             |
| <u>Items that may be reclassified subsequently to profit or loss:</u>                                 |                   |                   |             |                   |                   |             |
| Foreign currency translation differences on translation of non-Indonesian rupiah financial statements | 12,744,321        | (39,568)          | n.m.        | 30,067,209        | (2,285,322)       | n.m.        |
| <b>Total comprehensive income for the financial period</b>  | <b>20,485,125</b> | <b>24,687,677</b> | <b>(17)</b> | <b>53,922,828</b> | <b>68,086,183</b> | <b>(21)</b> |
| <b>Profit attributable to:</b>  |                   |                   |             |                   |                   |             |
| Owners of the parent  | 7,159,673         | 23,549,134        | (70)        | 22,260,285        | 67,049,555        | (67)        |
| Non-controlling interest  | 581,131           | 1,178,111         | (51)        | 1,595,334         | 3,321,950         | (52)        |
|   | <b>7,740,804</b>  | <b>24,727,245</b> | <b>(69)</b> | <b>23,855,619</b> | <b>70,371,505</b> | <b>(66)</b> |
| <b>Total comprehensive income attributable to:</b>  |                   |                   |             |                   |                   |             |
| Owners of the parent  | 19,903,994        | 23,509,566        | (15)        | 52,327,494        | 64,764,233        | (19)        |
| Non-controlling interest  | 581,131           | 1,178,111         | (51)        | 1,595,334         | 3,321,950         | (52)        |
|   | <b>20,485,125</b> | <b>24,687,677</b> | <b>(17)</b> | <b>53,922,828</b> | <b>68,086,183</b> | <b>(21)</b> |
| <b>n.m.:</b> Not meaningful   |                   |                   |             |                   |                   |             |

**1(a)(ii) Profit before income tax is arrived at after charging / (crediting) the following significant items:**

|   | 3rd Qtr 2015 | 3rd Qtr 2014 | Change | YTD Sept 2015 | YTD Sept 2014 | Change |
|---|--------------|--------------|--------|---------------|---------------|--------|
|   | Rp '000      | Rp '000      | %      | Rp '000       | Rp '000       | %      |
| Interest income   | (1,493,165)  | (2,231,770)  | (33)   | (6,202,285)   | (6,726,066)   | (8)    |
| Finance costs   | 2,050        | -            | n.m.   | 6,201         | -             | n.m.   |
| Depreciation expense  | 2,743,337    | 2,648,650    | 4      | 8,170,087     | 7,831,675     | 4      |
| Amortisation of operating use rights  | 11,040       | 11,040       | n.m.   | 33,120        | 33,120        | n.m.   |
| Foreign exchange (gain)/loss, net   | (2,620,671)  | (2,078,857)  | 26     | 6,943,204     | (1,342,567)   | n.m.   |
| (Gain)/loss on disposal of plant and equipment, net   | (4,877)      | -            | n.m.   | 331,303       | (12,173)      | n.m.   |
| Fair value loss from financial assets at fair value through profit or loss                        | 23,940       | 28,980       | (17)   | 40,950        | 90,090        | (55)   |
| Employment benefits expenses  |              |              |        |               |               |        |
| - salaries, wages and bonuses   | 4,983,508    | 4,477,976    | 11     | 16,862,785    | 14,552,527    | 16     |
| Operating lease expenses  |              |              |        |               |               |        |
| - rental of premises  | 346,553      | 345,644      | n.m.   | 1,066,831     | 1,024,198     | 4      |
| Representation and entertainment  | 72,335       | 78,526       | (8)    | 426,035       | 300,953       | 42     |
| Transportation, travelling and accommodation  | 289,568      | 220,262      | 31     | 928,324       | 732,149       | 27     |
| <b>Additional information:</b>  |              |              |        |               |               |        |
| EBITDA (Excluding changes in fair value less estimated point-of-sales costs of biological assets) | 12,892,915   | 33,146,430   | (61)   | 34,304,583    | 94,978,657    | (64)   |
|   |              |              |        |               |               |        |
|   |              |              |        |               |               |        |
|   |              |              |        |               |               |        |
|   |              |              |        |               |               |        |
|   |              |              |        |               |               |        |

**1(b)(i) Statement of Financial Position, together with a comparative statement as at the end of the immediately preceding financial year**

|   | <b>Group</b>         |                      | <b>Company</b>       |                    |
|---|----------------------|----------------------|----------------------|--------------------|
|   | <b>As at</b>         |                      | <b>As at</b>         |                    |
|   | <b>30/9/2015</b>     | <b>31/12/2014</b>    | <b>30/9/2015</b>     | <b>31/12/2014</b>  |
|   | <b>Rp '000</b>       | <b>Rp '000</b>       | <b>Rp '000</b>       | <b>Rp '000</b>     |
| <b>Non-current assets</b>                             |                      |                      |                      |                    |
| Biological assets                                     | 625,055,625          | 637,944,601          | -                    | -                  |
| Property, plant and equipment                         | 130,527,046          | 121,082,835          | 110,568              | 359,092            |
| Investments in subsidiaries                           | -                    | -                    | 592,665,850          | 543,499,928        |
| Operating use rights                                  | 661,281              | 694,402              | -                    | -                  |
| Club memberships                                      | 1,304,855            | 1,196,608            | 1,304,855            | 1,196,608          |
| Deferred charges                                      | 9,397,978            | 7,967,978            | -                    | -                  |
|   | <b>766,946,785</b>   | <b>768,886,424</b>   | <b>594,081,273</b>   | <b>545,055,628</b> |
| <b>Current assets</b>                                 |                      |                      |                      |                    |
| Inventories   | 49,737,512           | 25,970,734           | -                    | -                  |
| Trade and other receivables                           | 59,340,274           | 26,360,904           | 390,307,638          | 362,026,237        |
| Dividend receivable                                   | -                    | -                    | 44,325,276           | 46,232,750         |
| Prepayments   | 694,044              | 1,345,150            | 472,973              | 347,457            |
| Financial assets at fair value through profit or loss | 85,680               | 126,630              | -                    | -                  |
| Cash and cash equivalents                             | 348,248,077          | 412,722,129          | 15,729,679           | 43,900,846         |
|   | <b>458,105,587</b>   | <b>466,525,547</b>   | <b>450,835,566</b>   | <b>452,507,290</b> |
| Less:   |                      |                      |                      |                    |
| <b>Current liabilities</b>                            |                      |                      |                      |                    |
| Trade and other payables                              | 28,776,114           | 45,891,122           | 1,140,978            | 1,056,774          |
| Dividend payable                                      | 1,155,688            | 1,405,688            | -                    | -                  |
| Finance lease payables                                | 13,664               | -                    | -                    | -                  |
| Current income tax payable                            | 2,512,044            | 18,416,620           | 570,571              | 695,234            |
|   | <b>32,457,510</b>    | <b>65,713,430</b>    | <b>1,711,549</b>     | <b>1,752,008</b>   |
| <b>Net current asset</b>                              | <b>425,648,077</b>   | <b>400,812,117</b>   | <b>449,124,017</b>   | <b>450,755,282</b> |
| Less:   |                      |                      |                      |                    |
| <b>Non-current liabilities</b>                        |                      |                      |                      |                    |
| Finance lease payables                                | 58,243               | -                    | -                    | -                  |
| Provision for post-employment benefits                | 31,902,208           | 32,306,575           | -                    | -                  |
| Deferred tax liabilities                              | 128,147,470          | 127,077,490          | -                    | -                  |
|   | <b>160,107,921</b>   | <b>159,384,065</b>   | <b>-</b>             | <b>-</b>           |
| <b>Net assets</b>                                     | <b>1,032,486,941</b> | <b>1,010,314,476</b> | <b>1,043,205,290</b> | <b>995,810,910</b> |
| <b>Capital and reserves</b>                           |                      |                      |                      |                    |
| Share capital   | 670,814,233          | 674,562,922          | 670,814,233          | 674,562,922        |
| Foreign currency translation reserve                  | 117,146,824          | 87,079,615           | 377,333,428          | 289,353,443        |
| Accumulated profits                                   | 209,423,087          | 215,164,476          | (4,942,371)          | 31,894,545         |
| Equity attributable to owners of the parent           | 997,384,144          | 976,807,013          | 1,043,205,290        | 995,810,910        |
| Non-controlling interests                             | 35,102,797           | 33,507,463           | -                    | -                  |
| <b>Total equity</b>                                   | <b>1,032,486,941</b> | <b>1,010,314,476</b> | <b>1,043,205,290</b> | <b>995,810,910</b> |

**1(b)(ii) Aggregate amount of the Group's borrowings and debt securities**

|   | As at         |            |
|---|---------------|------------|
|   | 30/9/2015     | 31/12/2014 |
|   | Rp '000       | Rp '000    |
| <b>Amount repayable in one year or less, or on demand</b> |               |            |
| Secured   | 13,664        | -          |
| Unsecured   | -             | -          |
| <b>Total</b>  | <b>13,664</b> | <b>-</b>   |
| <b>Amount repayable after one year</b>                    |               |            |
| Secured   | 58,243        | -          |
| Unsecured   | -             | -          |
| <b>Total</b>  | <b>58,243</b> | <b>-</b>   |

**1(c) Consolidated Statement of Cash Flows, together with a comparative statement for the corresponding period of the immediately preceding financial year**

|  | 3rd Qtr 2015        | 3rd Qtr 2014        | YTD Sept 2015       | YTD Sept 2014       |
|--|---------------------|---------------------|---------------------|---------------------|
|  | Rp '000             | Rp '000             | Rp '000             | Rp '000             |
| <b>Cash flows (used in)/from operating activities</b>                      |                     |                     |                     |                     |
| <b>Profit before income tax</b>  | <b>11,629,653</b>   | <b>32,718,510</b>   | <b>32,297,460</b>   | <b>93,839,928</b>   |
| Adjustments for:   |                     |                     |                     |                     |
| Amortisation of operating use rights                                       | 11,040              | 11,040              | 33,120              | 33,120              |
| Loss/(gain) on disposal of plant and equipment, net                        | (4,877)             | -                   | 331,303             | (12,173)            |
| Gain on disposal of biological assets, net                                 | (4,125,081)         | (2,809,223)         | (4,125,081)         | (2,809,223)         |
| Depreciation expense   | 2,743,337           | 2,648,650           | 8,170,087           | 7,831,675           |
| Fair value loss from financial assets at fair value through profit or loss | 23,940              | 28,980              | 40,950              | 90,090              |
| Finance costs  | 2,050               | -                   | 6,201               | -                   |
| Interest income  | (1,493,165)         | (2,231,770)         | (6,202,285)         | (6,726,066)         |
| Unrealised currency translation gain                                       | (5,303,914)         | (1,571,859)         | (1,420,137)         | (1,049,142)         |
| Operating cash flows before working capital changes                        | 3,482,983           | 28,794,328          | 29,131,618          | 91,198,209          |
| <b>Working capital changes:</b>  |                     |                     |                     |                     |
| Inventories  | (4,708,519)         | (11,961,324)        | (23,766,777)        | (30,491,118)        |
| Trade and other receivables  | (3,447,462)         | 4,537,714           | (7,949,425)         | 18,968,098          |
| Prepayments  | (119,041)           | (729,032)           | 688,033             | (705,496)           |
| Trade and other payables   | (11,913,830)        | (5,967,022)         | (15,530,406)        | (24,500,485)        |
| Utilisation of post-employment benefits                                    | (125,434)           | (51,595)            | (404,366)           | (686,731)           |
| Cash generated from operations   | (16,831,303)        | 14,623,069          | (17,831,323)        | 53,782,477          |
| Interest received  | 1,491,564           | 2,230,611           | 6,218,682           | 6,723,781           |
| Income tax paid  | (3,327,113)         | (3,195,941)         | (23,019,075)        | (8,981,888)         |
| <b>Net cash (used in)/from operating activities</b>                        | <b>(18,666,852)</b> | <b>13,657,739</b>   | <b>(34,631,716)</b> | <b>51,524,370</b>   |
| <b>Cash flows from investing activities</b>                                |                     |                     |                     |                     |
| Acquisition of biological assets   | (1,600,186)         | (2,035,125)         | (9,596,593)         | (7,682,377)         |
| Purchase of plant and equipment  | (7,230,482)         | (2,458,016)         | (18,602,597)        | (8,302,357)         |
| Proceeds from disposal of plant and equipment                              | 166,174             | -                   | 784,896             | 82,444              |
| Payments for deferred expenditure  | -                   | (1,250,000)         | (1,430,000)         | (1,714,654)         |
| <b>Net cash used in investing activities</b>                               | <b>(8,664,494)</b>  | <b>(5,743,141)</b>  | <b>(28,844,294)</b> | <b>(17,616,944)</b> |
| <b>Cash flows from financing activities</b>                                |                     |                     |                     |                     |
| Dividends paid to equity holders of the Company                            | -                   | -                   | (28,001,674)        | (15,154,789)        |
| Dividends paid to non-controlling interest                                 | -                   | (4,186,250)         | (250,000)           | (4,186,250)         |
| Share buyback held in treasury   | (1,192,266)         | (5,957,664)         | (3,748,689)         | (7,254,125)         |
| Finance lease interest paid  | (2,050)             | -                   | (6,201)             | -                   |
| Repayments of obligations under finance leases                             | (13,323)            | -                   | (39,919)            | -                   |
| <b>Net cash used in financing activities</b>                               | <b>(1,207,639)</b>  | <b>(10,143,914)</b> | <b>(32,046,483)</b> | <b>(26,595,164)</b> |
| <b>Net change in cash and cash equivalents</b>                             | <b>(28,538,985)</b> | <b>(2,229,316)</b>  | <b>(95,522,493)</b> | <b>7,312,262</b>    |
| <b>Cash and cash equivalents at beginning of financial period</b>          | <b>358,913,532</b>  | <b>361,003,120</b>  | <b>412,722,129</b>  | <b>354,479,648</b>  |
| <b>Effects of currency translation on cash and cash equivalents</b>        | <b>17,873,530</b>   | <b>1,568,080</b>    | <b>31,048,441</b>   | <b>(1,450,026)</b>  |
| <b>Cash and cash equivalents at end of financial period</b>                | <b>348,248,077</b>  | <b>360,341,884</b>  | <b>348,248,077</b>  | <b>360,341,884</b>  |



GLOBAL PALM RESOURCES HOLDINGS LIMITED

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

|   | Attributable to owners of the parent |   |                                |  |                   | Non-controlling interests<br>Rp '000 | Total equity<br>Rp '000 |
|---|--------------------------------------|---|--------------------------------|--|-------------------|--------------------------------------|-------------------------|
|   | Share capital<br>Rp '000             | Foreign currency translation reserve<br>Rp '000 | Accumulated profits<br>Rp '000 | Equity attributable to owners of the parent<br>Rp '000 |                   |                                      |                         |
| <b>Group</b>  |                                      |   |                                |  |                   |                                      |                         |
| Balance as at 1 January 2015  | 674,562,922                          | 87,079,615                                      | 215,164,476                    | 976,807,013  | 33,507,463        | 1,010,314,476                        |                         |
| Profit for the financial period   | -                                    | -   | 22,260,285                     | 22,260,285   | 1,595,334         | 23,855,619                           |                         |
| Other comprehensive income for the financial period:  |                                      |   |                                |  |                   |                                      |                         |
| Foreign currency translation differences on translation of non-Indonesian rupiah financial statements | -                                    | 30,067,209                                      | -                              | 30,067,209   | -                 | 30,067,209                           |                         |
| Total comprehensive income for the financial period   | -                                    | 30,067,209                                      | 22,260,285                     | 52,327,494   | 1,595,334         | 53,922,828                           |                         |
| Transactions with owners recorded directly in equity:   |                                      |   |                                |  |                   |                                      |                         |
| Share buyback held in treasury  | (3,748,689)                          | -   | -                              | (3,748,689)  | -                 | (3,748,689)                          |                         |
| Total transactions with owners  | (3,748,689)                          | -   | -                              | (3,748,689)  | -                 | (3,748,689)                          |                         |
| Dividends to owners of the parent and non-controlling interest  | -                                    | -   | (28,001,674)                   | (28,001,674)   | -                 | (28,001,674)                         |                         |
| <b>Balance as at 30 September 2015</b>  | <b>670,814,233</b>                   | <b>117,146,824</b>                              | <b>209,423,087</b>             | <b>997,384,144</b>                                     | <b>35,102,797</b> | <b>1,032,486,941</b>                 |                         |



GLOBAL PALM RESOURCES HOLDINGS LIMITED

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

| Group   | Attributable to owners of the parent |   |                                |  |                                      | Total equity<br>Rp '000 |
|---|--------------------------------------|---|--------------------------------|--|--------------------------------------|-------------------------|
|   | Share capital<br>Rp '000             | Foreign currency translation reserve<br>Rp '000 | Accumulated profits<br>Rp '000 | Equity attributable to owners of the parent<br>Rp '000 | Non-controlling interests<br>Rp '000 |                         |
| Balance as at 1 January 2014  | 681,817,047                          | 94,835,557                                      | 160,274,806                    | 936,927,410  | 31,570,529                           | 968,497,939             |
| Profit for the financial period   | -                                    | -   | 67,049,555                     | 67,049,555   | 3,321,950                            | 70,371,505              |
| Other comprehensive income for the financial period:  |                                      |   |                                |  |                                      |                         |
| Foreign currency translation differences on translation of non-Indonesian rupiah financial statements | -                                    | (2,285,322)                                     | -                              | (2,285,322)  | -                                    | (2,285,322)             |
| Total comprehensive income for the financial period   | -                                    | (2,285,322)                                     | 67,049,555                     | 64,764,233   | 3,321,950                            | 68,086,183              |
| Transactions with owners recorded directly in equity:   |                                      |   |                                |  |                                      |                         |
| Share buyback held in treasury  | (7,254,125)                          | -   | -                              | (7,254,125)  | -                                    | (7,254,125)             |
| Total transactions with owners  | (7,254,125)                          | -   | -                              | (7,254,125)  | -                                    | (7,254,125)             |
| Dividends to owners of the parent and non-controlling interest  | -                                    | -   | (15,154,789)                   | (15,154,789)   | -                                    | (15,154,789)            |
| <b>Balance as at 30 September 2014</b>  | <b>674,562,922</b>                   | <b>92,550,235</b>                               | <b>212,169,572</b>             | <b>979,282,729</b>                                     | <b>34,892,479</b>                    | <b>1,014,175,208</b>    |





GLOBAL PALM RESOURCES HOLDINGS LIMITED

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

|   | Share capital      | Foreign currency translation reserve | Accumulated profits | Total equity         |
|---|--------------------|--------------------------------------|---------------------|----------------------|
| Company   | Rp '000            | Rp '000                              | Rp '000             | Rp '000              |
| Balance as at 1 January 2015  | 674,562,922        | 289,353,443                          | 31,894,545          | 995,810,910          |
| Loss for the financial period   | -                  | -                                    | (8,835,241)         | (8,835,241)          |
| Other comprehensive income for the financial period:  |                    |                                      |                     |                      |
| Foreign currency translation differences on translation of non-Indonesian rupiah financial statements | -                  | 87,979,985                           | -                   | 87,979,985           |
| Total comprehensive income for the financial period   | -                  | 87,979,985                           | (8,835,241)         | 79,144,744           |
| Transactions with owners recorded directly in equity:   |                    |                                      |                     |                      |
| Share buyback held in treasury  | (3,748,689)        | -                                    | -                   | (3,748,689)          |
| Total transactions with owners  | (3,748,689)        | -                                    | -                   | (3,748,689)          |
| Dividends paid  | -                  | -                                    | (28,001,675)        | (28,001,675)         |
| <b>Balance as at 30 September 2015</b>  | <b>670,814,233</b> | <b>377,333,428</b>                   | <b>(4,942,371)</b>  | <b>1,043,205,290</b> |
| Balance as at 1 January 2014  | 681,817,047        | 311,098,031                          | 13,101,841          | 1,006,016,919        |
| Profit for the financial period   | -                  | -                                    | 4,129,136           | 4,129,136            |
| Other comprehensive income for the financial period:  |                    |                                      |                     |                      |
| Foreign currency translation differences on translation of non-Indonesian rupiah financial statements | -                  | (5,193,395)                          | -                   | (5,193,395)          |
| Total comprehensive income for the financial period   | -                  | (5,193,395)                          | 4,129,136           | (1,064,259)          |
| Transactions with owners recorded directly in equity:   |                    |                                      |                     |                      |
| Share buyback held in treasury  | (7,254,125)        | -                                    | -                   | (7,254,125)          |
| Total transactions with owners  | (7,254,125)        | -                                    | -                   | (7,254,125)          |
| Dividends paid  | -                  | -                                    | (15,154,789)        | (15,154,789)         |
| <b>Balance as at 30 September 2014</b>  | <b>674,562,922</b> | <b>305,904,636</b>                   | <b>2,076,188</b>    | <b>982,543,746</b>   |

**1 (d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

During the period from 1 July 2015 to 30 September 2015, the Company purchased 765,300 shares from the open market (1 July 2014 to 30 September 2014: 2,846,000).

The total number of treasury shares held by the Company as at 30 September 2015 was 5,708,900 (30 September 2014: 3,510,000).

Treasury shares are presented as a component within equity attributable to owners of the parent.

| <b>Group and Company</b>        | <b>Number of treasury shares</b> | <b>Treasury shares Rp '000</b> |
|---------------------------------|----------------------------------|--------------------------------|
| Balance as at 1 July 2015       | 4,943,600                        | 9,810,548                      |
| Purchase of treasury shares     | 765,300                          | 1,192,266                      |
| Balance as at 30 September 2015 | 5,708,900                        | 11,002,814                     |

Total number of treasury shares against issued shares (excluding treasury shares):

| <b>Number of shares</b>                   | <b>As at 30 September 2015</b> | <b>As at 30 September 2014</b> |
|---|--------------------------------|--------------------------------|
| Treasury shares                           | 5,708,900                      | 3,510,000                      |
| Issued shares (excluding treasury shares) | 407,259,100                    | 409,458,000                    |
| <b>Total shares in issue</b>              | <b>412,968,000</b>             | <b>412,968,000</b>             |

As at 30 September 2015, the number of ordinary shares in issue was 412,968,000 of which 5,708,900 were held by the Company as treasury shares (30 September 2014: 412,968,000 ordinary shares of which 3,510,000 were held as treasury shares).

**1 (d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

Total number of issued shares (excluding treasury shares):

| <b>As at 30 September 2015</b> | <b>As at 31 December 2014</b> |
|--------------------------------|-------------------------------|
| 407,259,100                    | 409,458,000                   |

As at 30 September 2015, the number of ordinary shares in issue was 412,968,000 of which 5,708,900 were held by the Company as treasury shares (31 December 2014: 412,968,000 ordinary shares of which 3,510,000 were held as treasury shares.)

**1 (d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

During the period from 1 July 2015 to 30 September 2015, the Company purchased 765,300 shares from the open market (1 July 2014 to 30 September 2014: 2,846,000).

The total number of treasury shares held by the Company as at 30 September 2015 was 5,708,900 (30 September 2014: 3,510,000).

Treasury shares are presented as a component within equity attributable to owners of the parent.

| <b>Group and Company</b>        | <b>Number of shares</b> | <b>Treasury shares<br/>Rp '000</b> |
|---------------------------------|-------------------------|------------------------------------|
| Balance as at 1 July 2015       | 4,943,600               | 9,810,548                          |
| Purchase of treasury shares     | 765,300                 | 1,192,266                          |
| Balance as at 30 September 2015 | 5,708,900               | 11,002,814                         |

**2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice has been followed.**

These figures have not been audited, or reviewed by the auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter.**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with the audited consolidated financial statements for the financial year ended 31 December 2014 except for the valuation of biological assets and the actuarial valuation of the post-employment benefits which will be undertaken at the end of the financial year. In addition, the Group also adopted various revisions to the FRS, which became effective during that period. The said adoption has no significant impact to the financial statements of the Group.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change.**

Not applicable.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends; (a) Based on the weighted average number of ordinary shares on issue; and (b) On a fully diluted basis (detailing any adjustments made to the earnings).**

|  | <b>3rd Qtr 2015</b> | <b>3rd Qtr 2014</b> | <b>YTD Sept 2015</b> | <b>YTD Sept 2014</b> |
|--|---------------------|---------------------|----------------------|----------------------|
|  | <b>Rp</b>           | <b>Rp</b>           | <b>Rp</b>            | <b>Rp</b>            |
| Earnings per share for the period (Rp)         |                     |                     |                      |                      |
| (a) based on weighted average number of shares | 18                  | 57                  | 55                   | 163                  |
| (b) based on a fully diluted basis             | 18                  | 57                  | 55                   | 163                  |
| Number of shares outstanding                   |                     |                     |                      |                      |
| - Weighted average number of shares            | 407,756,468         | 409,802,772         | 408,372,188          | 411,891,099          |

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the; (a) current financial period reported on; and (b) immediately preceding financial year.**

|   | <b>Group</b>     |                   | <b>Company</b>   |                   |
|---|------------------|-------------------|------------------|-------------------|
|   | <b>As at</b>     |                   | <b>As at</b>     |                   |
|   | <b>30/9/2015</b> | <b>31/12/2014</b> | <b>30/9/2015</b> | <b>31/12/2014</b> |
| Net asset value per ordinary share (Rp)           | 2,535            | 2,467             | 2,562            | 2,432             |
| Number of issued shares excluding treasury shares | 407,259,100      | 409,458,000       | 407,259,100      | 409,458,000       |

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following; (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

### **Review of Group performance**

#### ***3Q2015 versus 3Q2014***

##### ***Revenue***

Our revenue for 3Q2015 decreased by Rp25.2 billion or 25%, from Rp101.9 billion in 3Q2014 to Rp76.7 billion in 3Q2015, mainly due to lower crude palm oil ("CPO") sales revenue of Rp22.8 billion and lower palm kernel ("PK") sales revenue of Rp2.4 billion.

CPO sales revenue decreased by Rp22.8 billion, from Rp94.6 billion in 3Q2014 to Rp71.8 billion in 3Q2015, mainly due to decrease in CPO average selling price by Rp1,526 per kilogram from Rp7,879 per kilogram in 3Q2014 to Rp6,353 per kilogram in 3Q2015. Sales volume of CPO also decreased by 701 tons from 12,007 tons in 3Q2014 to 11,306 tons in 3Q2015.

PK sales revenue decreased by Rp2.4 billion, from Rp7.3 billion in 3Q2014 to Rp4.9 billion in 3Q2015, mainly due to decrease in PK average selling price. Average selling price of PK decreased by Rp2,422 per kilogram from Rp4,847 per kilogram in 3Q2014 to Rp2,425 per kilogram in 3Q2015. Sales volume of PK increased by 497 tons, from 1,503 tons in 3Q2014 to 2,000 tons in 3Q2015.

##### ***Costs of sales***

Cost of sales decreased by Rp1.9 billion or 3%, from Rp67.7 billion in 3Q2014 to Rp65.8 billion in 3Q2015. This was mainly due to lower indirect material used (which comprised mainly cost of fertilizers).

##### ***Gross profit***

As a result of the foregoing, gross profit decreased by Rp23.3 billion or 68%, from Rp34.2 billion in 3Q2014 to Rp10.9 billion in 3Q2015. Gross profit margin decreased 19.3% from 33.5% in 3Q2014 to 14.2% in 3Q2015.

##### ***Distribution expenses***

Distribution expenses decreased by Rp1.4 billion or 95% from Rp1.5 billion in 3Q2014 to Rp0.1 billion in 3Q2015. This was mainly due to decrease in freight and stevedoring costs for goods shipped FOB at loading point and lower sales claims.

##### ***Administrative expenses***

Administrative expenses increased by Rp0.7 billion or 10% from Rp7.1 billion in 3Q2014 to Rp7.8 billion in 3Q2015. This was primarily due to higher salaries and wages to employees of the Group due to the minimum wage requirements in Indonesia.

***Finance costs***

Finance costs incurred in 3Q2015 was relating to the payment of finance lease interest.

***Interest income***

Interest income decreased by Rp0.7 billion or 33%, from Rp2.2 billion in 3Q2014 to Rp1.5 billion in 3Q2015. Interest income is mainly from interest earned from bank deposits.

***Other income***

Other income increased by Rp1.0 billion or 27%, from Rp3.8 billion in 3Q2014 to Rp4.8 billion 3Q2015, which were mainly from the net gain recognised from disposal of land to Plasma farmers.

***Other expenses***

Other expenses decreased by Rp0.6 billion or 69%, from Rp0.9 billion in 3Q2014 to Rp0.3 billion in 3Q2015, mainly due to less expenditure incurred for the survey of new potential areas for plantations.

***Foreign exchange gain, net***

Net foreign exchange gain of Rp2.6 billion in 3Q2015 was mainly attributable to appreciation of USD and SGD against IDR for the USD and SGD bank balances held.

***Profit before income tax***

As a result of the foregoing, profit before income tax decreased by Rp21.1 billion or 64%, from Rp32.7 billion in 3Q2014 to Rp11.6 billion in 3Q2015.

***Income tax expense***

Income tax expense decreased by Rp4.1 billion or 51%, from Rp8.0 billion in 3Q2014 to Rp3.9 billion in 3Q2015. The decrease is in line with the lower revenue generated.

***Profit after income tax***

As a result of the above, profit after income tax decreased by Rp17.0 billion or 69% from Rp24.7 billion in 3Q2014 to Rp7.7 billion in 3Q2015.

**9M2015 versus 9M2014**

**Revenue**

Our revenue for 9M2015 decreased by Rp47.9 billion or 16%, from Rp293.0 billion in 9M2014 to Rp245.1 billion in 9M2015, mainly due to lower crude palm oil (“CPO”) sales revenue of Rp40.8 billion and lower palm kernel (“PK”) sales revenue of Rp7.1 billion.

CPO sales revenue decreased by Rp40.8 billion, from Rp264.0 billion in 9M2014 to Rp223.2 billion in 9M2015, mainly due to decrease in CPO average selling price by Rp1,175 per kilogram from Rp8,257 per kilogram in 9M2014 to Rp7,082 per kilogram in 9M2015. Sales volume of CPO decreased by 458 tons from 31,975 tons in 9M2014 to 31,517 tons in 9M2015.

PK sales revenue decreased by Rp7.1 billion, from Rp29.0 billion in 9M2014 to Rp21.9 billion in 9M2015, due to decrease in PK average selling price. Average selling price of PK decreased by Rp1,384 per kilogram from Rp5,031 per kilogram in 9M2014 to Rp3,647 per kilogram in 9M2015. Sales volume of PK increased by 242 tons, from 5,758 tons in 9M2014 to 6,000 tons in 9M2015.

**Costs of sales**

Cost of sales increased by Rp5.4 billion or 3%, from Rp185.4 billion in 9M2014 to Rp190.8 billion in 9M2015. This was mainly due to higher indirect material used (which comprised mainly cost of fertilizers).

**Gross profit**

As a result of the foregoing, gross profit decreased by Rp53.4 billion or 50%, from Rp107.6 billion in 9M2014 to Rp54.2 billion in 9M2015. Gross profit margin decreased 14.6% from 36.7% in 9M2014 to 22.1% in 9M2015.

**Distribution expenses**

Distribution expenses decreased by Rp2.4 billion or 87% from Rp2.8 billion in 9M2014 to Rp0.4 billion in 9M2015. This was mainly due to decrease in freight and stevedoring costs for goods shipped FOB at loading point and lower sales claims.

**Administrative expenses**

Administrative expenses increased by Rp4.0 billion or 18% from Rp22.1 billion in 9M2014 to Rp26.1 billion in 9M2015. This was primarily due to higher salaries and wages to employees of the Group due to the minimum wage requirements in Indonesia.

***Finance costs***

Finance costs incurred in 9M2015 was relating to the payment of finance lease interest.

***Interest income***

Interest income decreased by Rp0.5 billion or 8%, from Rp6.7 billion in 9M2014 to Rp6.2 billion in 9M2015. Interest income is mainly from interest earned from bank deposits.

***Other income***

Other income increased by Rp1.8 billion or 32%, from Rp5.6 billion in 9M2014 to Rp7.4 billion 9M2015, which were mainly due to the higher sales of sludge oil and net gain recognized from disposal of land to Plasma farmers.

***Other expenses***

Other expenses decreased by Rp0.4 billion or 15%, from Rp2.6 billion in 9M2014 to Rp2.2 billion in 9M2015, mainly due to decrease in land application expenses.

***Foreign exchange loss, net***

Net foreign exchange loss of Rp6.9 billion in 9M2015 was mainly attributable to depreciation of IDR against SGD in relation to the Company's IDR denominated inter-company non-working capital financing for its subsidiary.

***Profit before income tax***

As a result of the foregoing, profit before income tax decreased by Rp61.5 billion or 66%, from Rp93.8 billion in 9M2014 to Rp32.3 billion in 9M2015.

***Income tax expense***

Income tax expense decreased by Rp15.1 billion or 64%, from Rp23.5 billion in 9M2014 to Rp8.4 billion in 9M2015. The decrease is in line with the lower revenue generated.

***Profit after income tax***

As a result of the above, profit after income tax decreased by Rp46.5 billion or 66% from Rp70.4 billion in 9M2014 to Rp23.9 billion in 9M2015.

**Review of Financial Position as at 30 September 2015**

***Non-current assets***

Non-current assets for the Group decreased by Rp2.0 billion, from Rp768.9 billion as at 31 December 2014 to Rp766.9 billion as at 30 September 2015. This was mainly due to, additions to property, plant and equipment and the deferred charges incurred for the land location permits for expansion of the Group's land bank.



***Current assets***

Current assets for the Group decreased by Rp8.4 billion or 2%, from Rp466.5 billion as at 31 December 2014 to Rp458.1 billion as at 30 September 2015. This was mainly due to lower cash generated from operations.

***Current liabilities***

Current liabilities for the Group decreased by Rp33.2 billion or 51%, from Rp65.7 billion as at 31 December 2014 to Rp32.5 billion as at 30 September 2015. This was mainly due to lower income tax payables and trade and other payables.

***Non-current liabilities***

Non-current liabilities for the Group increased by Rp0.7 billion from Rp159.4 billion as at 31 December 2014 to Rp160.1 billion as at 30 September 2015, due to higher deferred tax liabilities partially offset by lower provision for post-employment benefits.

**Review of Consolidated Cash Flows**

Net cash used in operating activities of Rp34.6 billion was mainly due to the purchase of inventories and payments for income tax.

Net cash used in investing activities of Rp28.8 billion comprised mainly additional plantings, purchase of planting equipment and payments for deferred expenditure.

Net cash used in financing activities of Rp32.0 billion was mainly for dividends paid to equity holders of the Company and for the buyback of the Company's shares to be held as treasury shares.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The demand for palm oil is expected to remain stable in view of rising food requirements from China, India, Indonesia and emerging markets.

We anticipate the extended dry spell in many parts of Indonesia this year will result in lower yield in the following year.

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.

**11. Dividend**

(a) Current Financial Period Reported on  
Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

**12. If no dividend has been declared (recommended), a statement to that effect.**

No dividend has been declared or recommended.

**13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

| Name of interested person | Aggregate value of all interested person transactions during the period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)<br>(Rp' million) | Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)<br>(Rp' million) |
|---------------------------|---|---|
|                           | <b>FY2015</b>   | <b>FY2015</b>   |
| PT Bumiraya Utama Lines   | 1,934   | NIL*  |

\*The Group has not obtained a general mandate from shareholders for Interested Person Transactions.

**14. Negative confirmation pursuant to Rule 705(5)**

The Directors of the Company do hereby confirm that to the best of their knowledge, nothing has come to their attention which would render the unaudited financial statements for the financial period from 1 January 2015 to 30 September 2015 to be false or misleading in any material aspects.

**15. Update of the utilization of the Initial Public Offering ("IPO") proceeds of S\$50.6 million**

As at 30 September 2015, the use of net proceeds from the IPO are as follows:

| Use of net proceeds   | Amount allocated<br>(S\$' million) | Amount utilised<br>(S\$' million) | Balance<br>(S\$' million) |
|---|------------------------------------|-----------------------------------|---------------------------|
| Development of existing uncultivated land banks into oil palm plantations | 15.61                              | 13.07 <sup>(1)</sup>              | 2.54                      |
| Acquisition of other oil palm plantations and land banks                  | 15.00                              | 1.07 <sup>(2)</sup>               | 13.93 <sup>(3)</sup>      |
| Repayment of the loans to PT Bank CIMB Niaga Tbk ("Bank Niaga")           | 5.00                               | 5.00                              | -                         |
| Construction of the co-composting plant                                   | 2.00                               | 1.49                              | 0.51                      |
| Working capital   | 9.50                               | 9.50                              | -                         |
| Invitation expenses   | 3.49                               | 3.49                              | -                         |
| <b>Total</b>  | <b>50.60</b>                       | <b>33.62</b>                      | <b>16.98</b>              |

As at 30 September 2015, the use of net proceeds from the IPO for working capital are as follows:

|                            | <b>Indonesia<br/>Office<br/>(S\$' million)</b> | <b>Singapore<br/>Office<br/>(S\$' million)</b> | <b>Amount<br/>utilised<br/>(S\$' million)</b> |
|----------------------------|--|--|---|
| Plantation & Mill Expenses | 1.26   | -  | 1.26  |
| Purchase of FFB            | 1.76   | -  | 1.76  |
| Transport & Freight        | 0.36   | -  | 0.36  |
| Fertilizers                | 1.57   | -  | 1.57  |
| Purchase Fuel              | 0.35   | -  | 0.35  |
| Suppliers                  | 0.65   | -  | 0.65  |
| Administration Expenses    | 0.49   | 1.00   | 1.49  |
| Bank Interest              | 0.11   | -  | 0.11  |
| Leasing                    | 0.09   | -  | 0.09  |
| Tax Payment                | 1.86   | -  | 1.86  |
| <b>Total</b>               | <b>8.50</b>                                    | <b>1.00</b>                                    | <b>9.50</b>                                   |

Notes:

- (1) Out of the S\$13.07 million utilized for the development of existing uncultivated land banks into oil palm plantations, approximately S\$11.11 million were used for land clearing and new planting purposes.
- (2) The S\$1.07 million utilized for the acquisition of other oil palm plantations and land banks are expenses of S\$0.46 million incurred for the land location permit for 7,170 hectares of land in Muara Lesan Village and Lesan Dayak Village, both located in Berau Regency, East Kalimantan and expenses of S\$0.61 million incurred for the land location permit for 6,546 hectares of land in sub-districts of Ngabang and Jelimpo, both located in Landak Regency, West Kalimantan.
- (3) 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.

16. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

| Name  | Age | Family relationship with any director and/or substantial shareholder   | Current position and duties, and the year the position was held   | Details of changes in duties and position held, if any, during the year |
|---|-----|--|---|---|
| Tan Hung Hwie @ Winoto Adijanto                   | 59  | Brother of CEO, Dr Suparno Adijanto  | <u>Director of Global Palm Resources Private Limited (Since 2007)</u><br>- Governing the Company including setting management directions and goals.<br>- Oversee management of company.<br><u>Director of Ecogreen Resources Investments Limited (Since 2010)</u><br>- Governing the Company including setting management directions and goals.<br>- Oversee management of company. | Not applicable  |
| Tan Hong Swan @ Tan Hong Whan @ Swandono Adijanto | 63  | Brother of CEO, Dr Suparno Adijanto  | <u>President Commissioner of PT Prakarsa Tani Sejati (Since 2003)</u><br>- Supervise and advise the Board of Directors.<br>- Non-executive in nature.   | Not applicable  |
| Tan Hong Pheng @ Pintarso Adijanto                | 58  | Brother of CEO, Dr Suparno Adijanto  | <u>Director of PT Prakarsa Tani Sejati (Since 1993)</u><br>- Governing the Company including setting management directions and goals.<br>- Oversee management of company.   | Not applicable  |
| Ivan Swandono                                     | 28  | Nephew of CEO, Dr Suparno Adijanto (and the son of Dr Suparno Adijanto's brother, Tan Hong Whan @ Swandono Adijanto) | <u>COO of PT Prakarsa Tani Sejati (Since 2013)</u><br>- Responsible for the cultivation of palm oil plantation and the daily operations of our palm oil mill.   | Not applicable  |

**BY ORDER OF THE BOARD**

Dr Tan Hong Kiat @ Suparno Adijanto  
Executive Chairman & CEO

9 November 2015