

Press Release

Global Palm posts EBITDA of Rp41.7 billion for FY2015

- CPO production improved 3% in FY2015
- PK production improved 3% in FY2015

Financial highlights for the period ended 31 December:

Rp'bil	4Q2015	4Q2014	% Chg	FY2015	FY2014	% Chg
Revenue	76.5	135.3	(43)	321.6	428.2	(25)
Gross profit	6.5	39.7	(84)	60.7	147.3	(59)
Gross profit margin (%)	8.5	29.3	-20.8 % pts	18.9	34.4	-15.5 % pts
EBITDA	7.4	35.7	(79)	41.7	130.7	(68)
Profit/(loss) before income tax	(176.9)	13.1	n.m.	(144.6)	106.9	n.m
Net profit/(loss) attributable to equity holders	(118.9)	5.0	n.m.	(96.7)	72.0	n.m

SINGAPORE – 27 February 2016 – 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 loss attributable to shareholders of Rp96.7 billion for the year ended 31 December 2015 (“FY2015) from a profit of Rp72.0 billion in FY2014 mainly due to the net loss from changes in fair value biological assets of Rp185.2 billion in FY2015.

The Group’s revenue for FY2015 decreased by 25% to Rp321.6 billion, due to lower sales volume and lower average selling prices for crude palm oil (“CPO”) and palm kernel (“PK”). Relatively, the Group’s gross profit decreased from Rp147.3 billion in FY2014 to Rp60.7 billion in FY2015. Gross profit margin decreased 15.5 % points to 18.9% points, from 34.4% as compared to a year ago.

Average Selling Prices and Tonnage Sales

Average selling prices of CPO and PK decreased from Rp8,048/kg in FY2014 to Rp6,530/kg in FY2015 and from Rp4,145/kg in FY2014 to Rp3,441/kg in FY2015 respectively.

CPO sales volume decreased 3,164 tons from 48,185 tons in FY2014 to 45,021 tons in FY2015. Sales volume of PK has also decreased by 1,756 tons from 9,765 tons in FY2014 to 8,009 tons in FY2015.

Operational Performance

As of 31 December 2015, the Group's total planted area (nucleus and plasma) totaled 13,667 ha, of which 98.9% or 13,512 ha comprise mature oil palm trees. FFB yield for the year improved to 15.8 tons/ha compared to 15.6 tons/ha a year ago.

Overall, the Group's efficiency levels remained stable for the year with a CPO extraction rate of 21.1% and palm kernel extraction rate of 4.2%.

Production statistics:

Production Output (Tons)	4Q15	4Q14	Var %	FY2015	FY2014	Var %
CPO	13,926	12,667	+10	49,163	47,835	+3
Palm kernels	3,097	2,303	+34	9,846	9,595	+3

Outlook and future plans

CPO prices are expected to remain volatile considering the uncertainty in the global economy and abnormal weather's affect on market dynamics. However, 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.

Notwithstanding the volatility and price pressures on CPO, 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, "With our productions going strong, we are positive on the outlook for the Group. We will continue to keep our operating costs relatively stable in this volatile global economy and unpredictable weather conditions. 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

	4Q2015	4Q2014	% Chg	FY2015	FY2014	% Chg
Revenue (Rp' bil)						
CPO	70.8	123.8	(43)	294.0	387.8	(24)
Palm Kernels	5.7	11.5	(50)	27.6	40.5	(32)
Sales Volume (tons)						
CPO	13,504	16,209	(17)	45,021	48,185	(7)
Palm Kernels	2,008	4,007	(50)	8,009	9,765	(18)
Ave. Selling Price* (Rp/kg)						
CPO	5,243	7,636	(31)	6,530	8,048	(19)
Palm Kernels	2,823	2,872	(2)	3.441	4,145	(17)

* 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: Rp9,751 for FY2015 and S\$1: Rp9,422 for FY2014

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>.