

**FIRST 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 2016 TO 31 MARCH 2016**

**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>1st Qtr 2016</b>	<b>1st Qtr 2015</b>	<b>Change</b>
	<b>Rp '000</b>	<b>Rp '000</b>	<b>%</b>
Revenue	86,120,083	88,733,060	(3)
Cost of sales	(75,344,778)	(63,317,063)	19
<b>Gross profit</b>	<b>10,775,305</b>	<b>25,415,997</b>	<b>(58)</b>
<b>Operating expenses</b>			
Distribution expenses	(304,239)	(154,321)	97
Administrative expenses	(9,491,725)	(9,884,019)	(4)
Finance costs	(1,360)	(1,769)	(23)
	(9,797,324)	(10,040,109)	(2)
<b>Other items of income/(expenses)</b>			
Interest income	3,173,656	2,212,682	43
Other income	2,472,579	1,756,015	41
Other expenses	(498,319)	(1,395,388)	(64)
Foreign exchange loss, net	(7,487,258)	(2,744,315)	173
	(2,339,342)	(171,006)	1,268
<b>(Loss)/Profit before income tax</b>	<b>(1,361,361)</b>	<b>15,204,882</b>	<b>n.m</b>
Income tax expense	(1,256,837)	(2,540,055)	(51)
<b>(Loss)/Profit for the financial period</b>	<b>(2,618,198)</b>	<b>12,664,827</b>	<b>n.m</b>
<b>n.m.:</b> Not meaningful			

				<b>1st Qtr 2016</b>	<b>1st Qtr 2015</b>	<b>Change</b>
				<b>Rp '000</b>	<b>Rp '000</b>	<b>%</b>
<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				2,789,898	3,237,643	(14)
<b>Total comprehensive income for the financial period</b>				<b>171,700</b>	<b>15,902,470</b>	(99)
<b>(Loss)/Profit attributable to:</b>						
Owners of the parent				(2,456,558)	12,069,126	n.m.
Non-controlling interests				(161,640)	595,701	n.m.
				<b>(2,618,198)</b>	<b>12,664,827</b>	n.m.
<b>Total comprehensive income attributable to:</b>						
Owners of the parent				333,340	15,306,769	(98)
Non-controlling interests				(161,640)	595,701	n.m.
				<b>171,700</b>	<b>15,902,470</b>	(99)
<b>n.m.:</b> Not meaningful						

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

					1st Qtr 2016	1st Qtr 2015	Change
					<b>Rp '000</b>	<b>Rp '000</b>	<b>%</b>
Interest income					(3,173,656)	(2,212,682)	43
Finance costs					1,360	1,769	(23)
Depreciation expense					2,718,408	2,711,464	0
Amortisation of operating use rights					11,040	11,040	-
Foreign exchange loss, net					7,487,258	2,744,315	173
(Gain)/Loss on disposal of plant and equipment, net					(357,075)	248,514	n.m.
Fair value (gain)/loss from financial assets at fair value through profit or loss					(10,080)	3,150	n.m.
Employment benefits expenses							
- salaries, wages and bonuses					6,906,344	6,670,903	4
Operating lease expenses							
- rental of premises					284,061	356,617	(20)
Representation and entertainment					115,401	191,887	(40)
Transportation, travelling and accommodation					253,151	210,027	21
<b><u>Additional information:</u></b>							
EBITDA (Excluding changes in fair value less estimated point-of-sales costs of biological assets)					(1,804,209)	15,716,473	n.m.

**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>3/31/2016</b>	<b>12/31/2015</b>	<b>3/31/2016</b>	<b>12/31/2015</b>
	<b>Rp '000</b>	<b>Rp '000</b>	<b>Rp '000</b>	<b>Rp '000</b>
<b>Non-current assets</b>				
Biological assets	426,569,148	429,061,675	-	-
Property, plant and equipment	132,773,246	131,573,879	79,408	91,854
Investments in subsidiaries	-	-	567,033,627	562,482,402
Plasma plantation receivables	68,643,332	54,019,176	-	-
Operating use rights	639,201	650,241	-	-
Club memberships	1,248,421	1,238,401	1,248,421	1,238,401
Deferred charges	9,467,979	9,397,978	-	-
	<b>639,341,327</b>	<b>625,941,350</b>	<b>568,361,456</b>	<b>563,812,657</b>
<b>Current assets</b>				
Inventories	36,608,723	50,865,985	-	-
Trade and other receivables	12,810,924	24,910,730	413,168,374	409,674,606
Income tax recoverable	19,263,994	14,287,493	-	-
Dividend receivable	-	-	25,517,968	25,313,151
Prepayments	371,548	515,901	238,310	273,260
Financial assets at fair value through profit or loss	63,000	52,920	-	-
Cash and cash equivalents	338,227,273	319,506,506	12,133,093	13,497,296
	<b>407,345,462</b>	<b>410,139,535</b>	<b>451,057,745</b>	<b>448,758,313</b>
Less:				
<b>Current liabilities</b>				
Trade and other payables	46,686,481	32,623,009	1,279,878	1,284,232
Dividend payable	-	1,062,500	-	-
Finance lease payables	44,229	58,243	-	-
Current income tax payable	573,556	2,038,985	75,972	97,512
	<b>47,304,266</b>	<b>35,782,737</b>	<b>1,355,850</b>	<b>1,381,744</b>
<b>Net current asset</b>	<b>360,041,196</b>	<b>374,356,798</b>	<b>449,701,895</b>	<b>447,376,569</b>
Less:				
<b>Non-current liabilities</b>				
Provision for post-employment benefits	33,613,199	33,676,272	-	-
Deferred tax liabilities	77,097,818	76,085,895	-	-
	<b>110,711,017</b>	<b>109,762,167</b>	<b>-</b>	<b>-</b>
<b>Net assets</b>	<b>888,671,506</b>	<b>890,535,981</b>	<b>1,018,063,351</b>	<b>1,011,189,226</b>
<b>Capital and reserves</b>				
Share capital	668,592,376	670,628,551	668,592,376	670,628,551
Foreign currency translation reserve	102,445,616	99,655,718	332,439,900	324,289,093
Accumulated profits	90,529,246	92,985,804	17,031,075	16,271,582
Equity attributable to owners of the parent	861,567,238	863,270,073	1,018,063,351	1,011,189,226
Non-controlling interests	27,104,268	27,265,908	-	-
<b>Total equity</b>	<b>888,671,506</b>	<b>890,535,981</b>	<b>1,018,063,351</b>	<b>1,011,189,226</b>

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

	As at	
	31/3/2016 Rp '000	31/3/2015 Rp '000
<b>Amount repayable in one year or less, or on demand</b>		
Secured	44,229	39,979
Unsecured	-	-
<b>Total</b>	<b>44,229</b>	<b>39,979</b>
<b>Amount repayable after one year</b>		
Secured	-	58,243
Unsecured	-	-
<b>Total</b>	<b>-</b>	<b>58,243</b>

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

	1st Qtr 2016 Rp '000	1st Qtr 2015 Rp '000
<b>Cash flows from operating activities</b>		
<b>(Loss)/Profit before income tax</b>	<b>(1,361,361)</b>	<b>15,204,882</b>
Adjustments for:		
Amortisation of operating use rights	11,040	11,040
(Gain)/Loss on disposal of plant and equipment, net	(357,075)	248,514
Gain on disposal of biological assets, net	(1,633,908)	-
Depreciation expense	2,718,408	2,711,464
Fair value (gain)/loss from financial assets at fair value through profit or loss	(10,080)	3,150
Finance costs	1,360	1,769
Interest income	(3,173,656)	(2,212,682)
Unrealised currency translation loss/(gain)	6,212,819	(3,999,881)
Operating cash flows before working capital changes	2,407,547	11,968,256
<b>Working capital changes:</b>		
Inventories	14,257,262	(8,127,967)
Trade and other receivables	(336,057)	(2,156,628)
Prepayments	137,925	(960,236)
Trade and other payables	17,340,219	(15,475,055)
Utilisation of post-employment benefits	(63,073)	(278,932)
Cash generated from/(used in) operations	33,743,823	(15,030,562)
Interest received	1,395,990	2,211,768
Income tax paid	(3,911,355)	(2,570,975)
<b>Net cash from/(used in) operating activities</b>	<b>31,228,458</b>	<b>(15,389,769)</b>

			<b>1st Qtr 2016</b>	<b>1st Qtr 2015</b>
			<b>Rp '000</b>	<b>Rp '000</b>
<b>Cash flows from investing activities</b>				
Acquisition of biological assets			(2,345,986)	(3,900,843)
Purchase of plant and equipment			(3,969,276)	(3,245,972)
Proceeds from disposal of plant and equipment			409,091	126,216
Payments for deferred expenditure			(70,000)	(1,430,000)
<b>Net cash used in investing activities</b>			<b>(5,976,171)</b>	<b>(8,450,599)</b>
<b>Cash flows from financing activities</b>				
Dividends paid to non-controlling interest			(1,062,500)	-
Share buyback held in treasury			(2,036,175)	(1,601,589)
Finance lease interest paid			(1,360)	(1,769)
Repayments of obligations under finance leases			(14,013)	(13,605)
<b>Net cash used in financing activities</b>			<b>(3,114,048)</b>	<b>(1,616,963)</b>
<b>Net change in cash and cash equivalents</b>			<b>22,138,239</b>	<b>(25,457,331)</b>
<b>Cash and cash equivalents at beginning of financial period</b>			<b>319,506,506</b>	<b>412,722,129</b>
<b>Effects of currency translation on cash and cash equivalents</b>			<b>(3,417,472)</b>	<b>7,185,341</b>
<b>Cash and cash equivalents at end of financial period</b>			<b>338,227,273</b>	<b>394,450,139</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 Rp '000	Total equity Rp '000
	Share capital Rp '000	Foreign currency translation reserve Rp '000	Accumulated profits Rp '000	Equity attributable to owners of the parent Rp '000		
<b>Group</b>						
Balance as at 1 January 2016	670,628,551	99,655,718	92,985,804	863,270,073	27,265,908	890,535,981
(Loss)/profit for the financial period	-	-	(2,456,558)	(2,456,558)	(161,640)	(2,618,198)
Other comprehensive income for the financial period:						
Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	-	2,789,898	-	2,789,898	-	2,789,898
Total comprehensive income for the financial period	-	2,789,898	(2,456,558)	333,340	(161,640)	171,700
Transactions with owners recorded directly in equity:						
Share buyback held in treasury	(2,036,175)	-	-	(2,036,175)	-	(2,036,175)
Total transactions with owners	(2,036,175)	-	-	(2,036,175)	-	(2,036,175)
Dividend paid	-	-	-	-	-	-
<b>Balance as at 31 March 2016</b>	<b>668,592,376</b>	<b>102,445,616</b>	<b>90,529,246</b>	<b>861,567,238</b>	<b>27,104,268</b>	<b>888,671,506</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 Rp '000	Total equity Rp '000
	Share capital Rp '000	Foreign currency translation reserve Rp '000	Accumulated profits Rp '000	Equity attributable to owners of the 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	-	-	12,069,126	12,069,126	595,701	12,664,827
Other comprehensive income for the financial period:						
Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	-	3,237,643	-	3,237,643	-	3,237,643
Total comprehensive income for the financial period	-	3,237,643	12,069,126	15,306,769	595,701	15,902,470
Transactions with owners recorded directly in equity:						
Share buyback held in treasury	(1,601,589)	-	-	(1,601,589)	-	(1,601,589)
Total transactions with owners	(1,601,589)	-	-	(1,601,589)	-	(1,601,589)
Dividend paid	-	-	-	-	-	-
<b>Balance as at 31 March 2015</b>	<b>672,961,333</b>	<b>90,317,258</b>	<b>227,233,602</b>	<b>990,512,193</b>	<b>34,103,164</b>	<b>1,024,615,357</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.

Company	Share capital Rp '000	Foreign currency translation reserve Rp '000	Accumulated profits Rp '000	Total equity Rp '000
Balance as at 1 January 2016	670,628,551	324,289,093	16,271,582	1,011,189,226
Profit for the financial period	-	-	759,493	759,493
Other comprehensive income for the financial period				
Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	-	8,150,807	-	8,150,807
Total comprehensive income for the financial period	-	8,150,807	759,493	8,910,300
Transactions with owners recorded directly in equity:				
Share buyback held in treasury	(2,036,175)	-	-	(2,036,175)
Total transactions with owners	(2,036,175)	-	-	(2,036,175)
Dividend paid	-	-	-	-
<b>Balance as at 31 March 2016</b>	<b>668,592,376</b>	<b>332,439,900</b>	<b>17,031,075</b>	<b>1,018,063,351</b>
Balance as at 1 January 2015	674,562,922	289,353,443	31,894,545	995,810,910
Profit for the financial period	-	-	(292,896)	(292,896)
Other comprehensive income for the financial period				
Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	-	9,076,211	-	9,076,211
Total comprehensive income for the financial period	-	9,076,211	(292,896)	8,783,315
Share buyback held in treasury	(1,601,589)	-	-	(1,601,589)
Total transactions with owners	(1,601,589)	-	-	(1,601,589)
Dividend paid	-	-	-	-
<b>Balance as at 31 March 2015</b>	<b>672,961,333</b>	<b>298,429,654</b>	<b>31,601,649</b>	<b>1,002,992,636</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.**

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

As at 31 March 2016, the number of ordinary shares in issue was 206,484,000 of which 3,748,700 were held by the Company as treasury shares (31 March 2015: 412,968,000 ordinary shares of which 4,447,600 were held as treasury shares or 206,484,000 ordinary shares of which 2,223,800 were held as treasury shares after the 2:1 share consolidation).

During the period January 2016 to March 2016, the Company purchased 834,200 shares from the open market (January 2015 to March 2015: 937,600 shares or 468,000 after 2:1 share consolidation).

The total number of treasury shares held by the Company as at 31 March 2016 was 3,748,700 (31 March 2015: 4,447,600 or 2,223,800 after 2:1 share consolidation).

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 January 2016	2,914,500	11,188,496
Purchase of treasury shares	834,200	2,036,175
Balance as at 31 March 2016	3,748,700	13,224,671

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

<b>Number of shares</b>	<b>As at 31 March 2016</b>	<b>As at 31 March 2015</b>
Treasury shares	3,748,700	4,447,600
Issued shares (excluding treasury shares)	202,735,300	408,520,400
Share Consolidation		(206,484,000)
<b>Total shares in issue</b>	<b>206,484,000</b>	<b>206,484,000</b>

**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 31 March 2016</b>	<b>As at 31 December 2015</b>
202,735,300	203,569,500

As at 31 March 2016, the number of ordinary shares in issue was 206,484,000 of which 3,748,700 were held by the Company as treasury shares (31 December 2015: 206,484,000 ordinary shares of which 2,914,500 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 January 2016 to March 2016, the Company purchased 834,200 shares from the open market (January 2015 to March 2015: 937,600 shares or 468,800 shares after 2:1 share consolidation on 8 December 2015).

The total number of treasury shares held by the Company as at 31 March 2016 was 3,748,700 (31 March 2015: 4,447,600 or 2,223,800 after 2:1 share consolidation on 8 December 2015).

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 Rp '000</b>
Balance as at 1 January 2016	2,914,500	11,188,496
Purchase of treasury shares	834,200	2,036,175
Balance as at 31 March 2016	3,748,700	13,224,671

**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 2015 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, except for Amendments to FRS 16 and FRS 41 – Agriculture: Bearer Plants which becomes effective during this period.

**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).

			1st Qtr 2016	1st Qtr 2015
			Rp	Rp
Earnings per share for the period (Rp)				
(a) based on weighted average number of shares			(12)	29
(b) based on a fully diluted basis			(12)	29
Note ; If assume has been consolidated 2:1 for 2015				
(a) based on weighted average number of shares			(12)	58
(b) based on a fully diluted basis			(12)	58
Number of shares outstanding				
- Weighted average number of shares			200,780,675	409,284,426
Note : If assume has been consolidated 2:1 for 2015			200,780,675	204,642,213

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.

	Group		Company	
	As at		As at	
	31/3/2016	31/12/2015	31/3/2016	31/12/2015
Net asset value per ordinary share (Rp)	4,383	4,375	5,022	4,967
Number of issued shares excluding treasury shares	202,735,300	203,569,500	202,735,300	203,569,500

**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**

#### ***1Q2016 versus 1Q2015***

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

Our revenue for 1Q2016 decreased by Rp2.6 billion or 3%, from Rp88.7 billion in 1Q2015 to Rp86.1 billion in 1Q2016, mainly contributed by lower palm kernel ("PK") sales revenue of Rp3.3 billion partially offset by higher crude palm oil ("CPO") sales revenue of Rp0.7 billion

CPO sales revenue increased by Rp0.7 billion, from Rp79.4 billion in 1Q2015 to Rp80.1 billion in 1Q2016 mainly due to higher sales volume. Sales volume of CPO increased by 2,655 tons from 10,205 tons in 1Q2015 to 12,860 tons in 1Q2016. However, CPO average selling price decreased by Rp1,550 per kilogram, from Rp7,780 per kilogram in 1Q2015 to Rp6,230 per kilogram in 1Q2016.

PK sales revenue decreased by Rp3.3 billion, from Rp9.3 billion in 1Q2015 to Rp6.0 billion in 1Q2016 mainly due to lower PK average selling price. Sales volume of PK increased by 9 tons, from 2,000 tons in 1Q2015 to 2,009 tons in 1Q2016. Average selling price of PK decreased by Rp1,685 per kilogram from Rp4,668 per kilogram in 1Q2015 to Rp2,983 per kilogram in 1Q2016.

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

Cost of sales increased by Rp12.0 billion or 19%, from Rp63.3 billion in 1Q2015 to Rp75.3 billion in 1Q2016. This was mainly due to the higher CPO sales volume.

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

As a result of the foregoing, gross profit decreased by Rp14.6 billion or 58%, from Rp25.4 billion in 1Q2015 to Rp10.8 billion in 1Q2016. Gross profit margin decreased from 29% in 1Q2015 to 13% in 1Q2016.

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

Distribution expenses increased by Rp0.1 billion from Rp0.2 billion in 1Q2015 to Rp0.3 billion in 1Q2016 mainly due to the additional freight incurred for the transportation of PK from the plantation's bulk storage warehouse to the loading port of Pontianak while all PK for 1Q2015 was sold directly from the plantation's bulk storage warehouse and thus no such freight incurred for 1Q2015.

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

Administrative expenses decreased by Rp0.4 billion or 4% from Rp9.9 billion in 1Q2015 to Rp9.5 billion in 1Q2016. This was mainly due to lower expenses on professional fees, office expenses and rental of premises in 1Q2016.

***Finance costs***

The finance cost was relating to the finance lease interest and decreased by 23% due to lower outstanding principal in 1Q2016 as compared to 1Q2015.

***Interest income***

Interest income increased by Rp1.0 billion or 43%, from 2.2 billion in 1Q2015 to Rp3.2 billion in 1Q2016 due to interest earned from the plasma plantation receivables.

***Other income***

Other income increased by Rp0.7 billion from Rp1.8 billion in 1Q2015 to Rp2.5 billion in 1Q2016, which was mainly due to net gain recognized from the disposal of biological assets to Plasma farmers under the government policy in 1Q2016.

***Other expenses***

Other expenses decreased by Rp0.9 billion or 64%, from Rp1.4 billion in 1Q2015 to Rp0.5 billion in 1Q2016, mainly due to lower expenditure incurred for the survey and application of new potential areas for plantations.

***Foreign exchange loss, net***

Net foreign exchange loss increased by Rp4.7 billion in 1Q2016 was mainly attributable to the weakening of USD against IDR for the USD bank balances held.

***Loss before income tax***

As a result of the foregoing, profit before income tax decreased by Rp16.6 billion, from profit before income tax of Rp15.2 billion in 1Q2015 to a loss before income tax of Rp1.4 billion in 1Q2016.

***Income tax expense***

Income tax expense decreased by Rp1.2 billion or 51% from Rp2.5 billion in 1Q2015 to Rp1.3 billion in 1Q2016. The decrease is in line with the lower revenue generated.

***Loss after income tax***

As a result of the above, profit after income tax decreased by Rp15.3 billion from a profit after income tax of Rp12.7 billion in 1Q2015 to a loss after income tax of Rp2.6 billion in 1Q2016.

## **Review of Financial Position as at 31 March 2016**

### ***Non-current assets***

Non-current assets for the Group increased by Rp13.4 billion or 2%, from Rp625.9 billion as at 31 December 2015 to Rp639.3 billion as at 31 March 2016. This was mainly due to the additional credit extended to the Plasma farmers for the biological assets transferred under the government policy and the purchase of property, plant and equipment.

### ***Current assets***

Current assets for the Group decreased by Rp2.8 billion or 1%, from Rp410.1 billion as at 31 December 2015 to Rp407.3 billion as at 31 March 2016. This was mainly due to the decrease in the inventories of Rp14.3 billion and trade and other receivable of Rp12.1 billion offset partially by increase in cash and cash equivalent of Rp18.7 billion and income tax recoverable of Rp5.0 billion.

### ***Current liabilities***

Current liabilities for the Group increased by Rp11.5 billion or 32%, from Rp35.8 billion as at 31 December 2015 to Rp47.3 billion as at 31 March 2016. This was mainly due to the increase of Rp14.1 billion in trade and other payables resulted from the advances from customers marginally offset by lower current income tax and dividend payables.

### ***Non-current liabilities***

Non-current liabilities for the Group increased by Rp0.9 billion or 1% from Rp109.8 billion as at 31 December 2015 to Rp110.7 billion as at 31 March 2015, due to the increase in deferred tax liabilities.

## **Review of Consolidated Cash Flows**

Net cash from operating activities of Rp31.2 billion was mainly due to the cash generated from the decrease in inventories and the increase in trade and other payables.

Net cash used in investing activities of Rp6.0 billion comprised mainly the cost of maintaining the immature plantation and nurseries, and purchase of plant and equipment.

Net cash used in financing activities of Rp3.1 billion was mainly due to dividends of Rp1.1 billion paid to non controlling interest equity holders of the Company and for the buyback of the Company's shares to be held as treasury shares of Rp2.0 billion.

### **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.**

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.

**11. Dividend**

13. Current Financial Period Reported on  
Any dividend to be declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

None.

© Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

Not applicable.

**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) (Rp' million)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) (Rp' million)
	FY2016	FY2016
PT Bumiraya Utama Lines	697	NIL*
PT Cemar Lestari	1,940	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 2016 to 31 March 2016 to be false or misleading in any material aspects.

**15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720 (1).**

The Company confirmed that the Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720 (1).



**16. Update of the utilization of the Initial Public Offering (“IPO”) proceeds of S\$50.6 million**

As at 31 March 2016, the use of net proceeds from the IPO are as follows:

<b>Use of net proceeds</b>	<b>Amount allocated (S\$' million)</b>	<b>Amount utilised (S\$' million)</b>	<b>Balance (S\$' million)</b>
Development of existing uncultivated land banks into oil palm plantations	15.61	13.34 <sup>(1)</sup>	2.27
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>33.89</b>	<b>16.71</b>

As at 31 March 2016, the use of net proceeds from the IPO for working capital are as follows:

	<b>Indonesia Office (S\$' million)</b>	<b>Singapore Office (S\$' million)</b>	<b>Amount utilised (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\$13.34 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 Cemaru, 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 Cemaru as well as approvals required by the Indonesian authorities.

17. 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	60	Brother of CEO, Dr Suparno Adijanto	<u>Director of Global Palm Resources Private Limited (Since 2007)</u> - Governing the Company including setting management directions and goals. - Oversee management of company. <u>Director of Ecogreen Resources Investments Limited (Since 2010)</u> - Governing the Company including setting management directions and goals. - Oversee management of company.	Not applicable
Tan Hong Swan @ Tan Hong Whan @ Swandono Adijanto	64	Brother of CEO, Dr Suparno Adijanto	<u>President Commissioner of PT Prakarsa Tani Sejati (Since 2003)</u> - Supervise and advise the Board of Directors. - Non-executive in nature.	Not applicable
Tan Hong Pheng @ Pintarso Adijanto	59	Brother of CEO, Dr Suparno Adijanto	<u>Director of PT Prakarsa Tani Sejati (Since 1993)</u> - Governing the Company including setting management directions and goals. - Oversee management of company.	Not applicable
Ivan Swandono	29	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> - Responsible for the cultivation of palm oil plantation and the daily operations of our palm oil mill.	Promoted from Acting COO to COO with effect from 10 November 2014

**BY ORDER OF THE BOARD**

Dr Tan Hong Kiat @ Suparno Adijanto  
Executive Chairman & CEO

11 May 2016