

Press Release

Global Palm's 2Q2016 net profit jumps 445% to Rp16.5 billion on Rp106.3 billion revenue

- 33% jump in revenue underpinned by higher volume sales and average selling prices of CPO and PK
 - Sales revenue from CPO increased 26% to Rp18.5 billion in 2Q2016
 - Sales revenue from PK increased 106% to Rp8.1 billion in 2Q2016

Financial highlights for the period ended 30 June:

Rp'bil	2Q2016	2Q2015	% Chg	1H2016	1H2015	% Chg
Revenue	106.3	79.7	+33	192.4	168.4	+14
Gross profit	25.3	17.9	+41	36.1	43.3	(17)
Gross profit margin (%)	23.8	22.5	+1.3 % pts	18.8	25.7	-6.9 % pts
EBITDA	19.8	5.7	+247	18.0	21.4	(16)
Profit before income tax	20.2	5.5	+271	18.9	20.7	(9)
Net profit attributable to equity holders	16.5	3.0	+445	14.1	15.1	(7)

SINGAPORE – 11 August 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 profit attributable to shareholders of Rp16.5 billion for the quarter ended 30 June 2016 (“2Q2016) from Rp3.0 billion in 2Q2015.

The Group’s revenue for 2Q2016 increased by 33% to Rp106.3 billion due to higher sales volume and higher average selling prices for both crude palm oil (“CPO”) and palm kernel (“PK”). The Group’s gross profit increased 41% from Rp17.9 billion in 2Q2015 to Rp25.3 billion in 2Q2016. Gross profit margin increased 1.3 % points to 23.8%, from 22.5% as compared to a year ago.

Average Selling Prices and Tonnage Sales

Average selling prices of CPO and PK increased from Rp7,194/kg in 2Q2015 to Rp8,004/kg in 2Q2016 and from Rp3,849/kg in 2Q2015 to Rp5,257/kg in 2Q2016 respectively.

CPO sales volume increased 1,298 tons from 10,006 tons in 2Q2015 to 11,304 tons in 2Q2016. Sales volume of PK increased 1,015 tons from 2,000 tons in 2Q2015 to 3,015 tons in 2Q2016.

Operational Performance

As of 30 June 2016, the Group's total planted area (nucleus and plasma) totaled 13,503 ha, of which 96.6% or 13,038 ha comprise mature oil palm trees. The Group's CPO and palm kernel extraction rates were kept stable at 21.6% and 3.38% in 2Q2016 compared to 21.04% and 3.84% respectively in 2Q2015.

Production statistics:

Production Output (Tons)	2Q2016	2Q2015	Var %	1H2016	1H2015	Var %
CPO	8,543	12,640	(32)	19,200	23,145	(17)
Palm kernels	1,335	2,306	(42)	3,332	4,430	(25)

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, "We are pleased to achieve better results this quarter, on the back of higher CPO prices supported by the impact of the El Nino weather phenomenon, and improved sales volume. However, we are still mindful of the challenges we face 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

	2Q2016	2Q2015	% Chg	1H2016	1H2015	% Chg
Revenue (Rp' bil)						
CPO	90.5	72.0	+26	170.6	151.4	+13
Palm Kernels	15.8	7.7	+106	21.8	17.0	+28
Sales Volume (tons)						
CPO	11,304	10,006	+11	24,164	20,211	+20
Palm Kernels	3,015	2,000	+51	5,024	4,000	+26
Ave. Selling Price* (Rp/kg)						
CPO	8,004	7,194	+11	7,060	7,490	(6)
Palm Kernels	5,257	3,849	+37	4,347	4,258	+2

* 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: Rp9,770 for 2Q2016 and S\$1: Rp9,894 for 2Q2015

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>.