



Press Release

Global Palm’s CPO production improved 14% and PK production improved 11% in 3Q2017

- 49% increase in revenue on the back of higher CPO sales volume
- Gross profit increased 22% to Rp27.3 billion in 3Q2017 from Rp22.3 billion in 3Q2016

Financial highlights for the period ended 30 September:

Rp'bil	3Q2017	3Q2016	% Chg	9M2017	9M2016	% Chg
Revenue	105.7	71.1	+49	354.5	263.6	+35
Gross profit	27.3	22.3	+22	88.6	58.4	+52
Gross profit margin (%)	25.9	31.4	(5.5 % pts)	25.0	22.2	+2.8 % pts
EBITDA	18.7	25.0	(25)	73.7	43.0	+72
Profit before income tax	16.5	26.0	(36)	68.0	44.8	+52
Net profit attributable to equity holders	10.8	20.0	(46)	46.6	34.1	+37

SINGAPORE – 13 November 2017 – 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 Rp10.8 billion for the quarter ended 30 September 2017 (“3Q2017”) from Rp20.0 billion in 3Q2016.

The Group’s revenue for 3Q2017 increased 49% to Rp105.7 billion on the back of higher crude palm oil (“CPO”) sales volume, and offset by lower palm kernel (“PK”) sales volume and lower CPO and PK average selling prices. Sales revenue from CPO increased 56% from Rp63.7 billion in 3Q2016 to Rp99.3 billion in 3Q2017. Sales revenue from PK decreased 14% from Rp7.4 billion in 3Q2016 to Rp6.4 billion in 3Q2017. The Group’s gross profit increased 22% from Rp22.3 billion in 3Q2016 to Rp27.3 billion in 3Q2017. Gross profit margin decreased 5.5% points to 25.9%, from 31.4% as compared to a year ago.

Average Selling Prices and Tonnage Sales

Average selling prices of CPO and PK decreased from Rp7,963/kg in 3Q2016 to Rp7,635/kg in 3Q2017 and from Rp7,338/kg in 3Q2016 to Rp6,359/kg in 3Q2017 respectively.

CPO sales volume increased 5,002 tons from 8,004 tons in 3Q2016 to 13,006 tons in 3Q2017. Sales volume of PK decreased marginally by 7 tons from 1,007 tons in 3Q2016 to 1,000 tons in 3Q2017.

Operational Performance

As of 30 September 2017, the Group's total planted area (nucleus and plasma) totaled 13,252 ha, of which 91.1% or 12,069 ha comprise mature oil palm trees. The Group's CPO and palm kernel extraction rates were kept stable at 21.73% and 3.46% in 3Q2017 compared to 21.4% and 3.51% respectively in 3Q2016.

Production statistics:

<u>Production Output</u> <u>(Tons)</u>	<u>3Q2017</u>	<u>3Q2016</u>	<u>Var %</u>	<u>9M2017</u>	<u>9M2016</u>	<u>Var %</u>
CPO	12,903	11,279	+14	38,297	30,479	+26
Palm kernels	2,055	1,848	+11	6,010	5,181	+16

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. According to Australia's Bureau of Meteorology, there is a 50% chance of a La Niña forming in late 2017. The demand for palm oil is expected to remain strong in view of rising food requirements from China, India, Indonesia and emerging markets, as well as demand from the biofuel, oleochemicals and compound feed industries.

The Group has started replanting its older palm trees with newer breed of higher yielding palm trees. The management expects to see higher yield per hectare when the replanted palm trees reach maturity. This together with the management continuous efforts to increase productivity, should result in a positive sustainable future for the Group.

Dr Suparno Adijanto (陳洪傑), Executive Chairman and CEO said, “In the recently-concluded Bali CPO conference, the consensus among the CPO analysts are that for the next 6 months, prices will increase slightly from the present level. We continue to see a positive demand for palm oil and will focus on improving our productivity and ensure sustainability for the Group in the long run.”

Segment Review

	3Q2017	3Q2016	% Chg	9M2017	9M2016	% Chg
Revenue (Rp' bil)						
CPO	99.3	63.7	+56	323.3	234.3	+38
Palm Kernels	6.4	7.4	(14)	31.2	29.2	+7
Sales Volume (tons)						
CPO	13,006	8,004	+63	40,318	32,168	+25
Palm Kernels	1,000	1,007	(1)	6,003	6,032	n.m.
Ave. Selling Price* (Rp/kg)						
CPO	7,635	7,963	(4)	8,019	7,285	+10
Palm Kernels	6,359	7,338	(13)	5,202	4,847	+7

* 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.

###

The conversion rate is S\$1: Rp9,926 for 3Q2017 and S\$1: Rp9,522 for 3Q2016

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.



GLOBAL PALM RESOURCES HOLDINGS LIMITED

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>.