



PRESS RELEASE

GLOBAL PALM REDUCED ITS NET LOSS ON THE BACK OF HIGHER CPO PRICES

- CPO average selling price increased 29% to Rp8,320/kg in FY2020
- PK average selling price increased 40% to Rp4,332/kg in FY2020
- Gross profit margin increased 16.3% pts to 16.7% in FY2020

Financial highlights for the year ended 31 December:

Rp'bil	2H2020	2H2019	% Chg	FY2020	FY2019	% Chg
Revenue	141.6	139.4	+2	279.9	262.2	+7
Gross profit	30.3	6.9	+339	46.6	1.1	+4312
Gross profit margin (%)	21.4	5.0	+16.4 % pts	16.7	0.4	+16.3 % pts
EBITDA	(0.4)	(12.0)	(97)	2.0	(27.3)	n.m.
Loss before income tax	(4.6)	(17.7)	(74)	(9.1)	(39.1)	(77)
Net loss attributable to equity holders	(3.1)	(17.6)	(82)	(7.7)	(38.5)	(80)

SINGAPORE – 1 March 2021 – 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 Rp7.7 billion for the year ended 31 December 2020 (“FY2020”).

The Group’s revenue increased 7% to Rp279.9 billion in FY2020 from Rp262.2 billion in FY2019, mainly due to higher crude palm oil (“CPO”) and palm kernel (“PK”) average selling prices, offset by lower CPO and PK sales volume. The Group also recorded a sales revenue of Rp4.2 billion from fresh fruit bunch (“FFB”) from the newly-acquired subsidiary, PT Cemarum Lestari. Gross profit increased 4,312% from Rp1.1 billion in FY2019 to Rp46.6 billion in FY2020. Gross profit margin increased 16.3% points from 0.4% in FY2019 to 16.7% in FY2020.

Average Selling Prices and Tonnage Sales

Average selling price of CPO increased 29% from Rp6,452/kg in FY2019 to Rp8,320/kg in FY2020. Average selling price of PK increased 40% from Rp3,095/kg in FY2019 to Rp4,332/kg in FY2020. CPO sales volume decreased 6,507 tonnes or 18% from 36,519 tonnes in FY2019 to 30,012 tonnes in FY2020. PK sales volume decreased 2,574 tonnes or 30% from 8,568 tonnes in FY2019 to 5,994 tonnes in FY2020.

Operational Performance

As of 31 December 2020, the Group's total planted area (nucleus and plasma) totaled 16,113 ha, of which 87.6% or 14,114 ha comprise mature oil palm trees.

The Group's CPO extraction rate remained stable at 21.86% in FY2020, from 22.06% in FY2019. PK extraction rate decreased from 4.29% in FY2019 to 3.78% in FY2020.

Production statistics:

Production Output (Tonnes)	2H2020	2H2019	Var %	FY2020	FY2019	Var %
CPO	16,044	17,702	(9)	31,532	34,161	(8)
Palm kernels	2,958	3,425	(14)	5,453	6,641	(18)

Outlook and future plans

CPO prices are expected to remain volatile considering the fear and uncertainty in the world economy due to the COVID-19 virus. Nonetheless, increase in demand from the implementation of the B30 mandatory biodiesel policy in Indonesia will lend support to CPO prices.

We are continuing to replant older palm trees with newer breeds of high yield palm trees. Our ongoing replanting scheme will ensure long term sustainability for the Group. The management expects production of CPO and kernel to drop for the next few years but look forward to higher yield per hectare when the replanted palm trees reach maturity. These efforts, together with other measures the management is taking to improve productivity and reduce costs, should result in a positive sustainable future for the Group.

Dr Suparno Adijanto (陳洪傑), Executive Chairman and CEO said, “CPO prices have elevated to recent highs since 2011, partly driven by the enforcement of higher biodiesel mandates in Malaysia and Indonesia. We are expecting to see a healthy support in CPO prices for FY2021, but remain conservative amidst the uncertainty caused by the COVID-19 pandemic and its negative impact on world economic growth. In the long-term, the Group continues on its replanting strategy and costs-saving efforts to ensure sustainability.”

	2H2020	2H2019	% Chg	FY2020	FY2019	% Chg
Revenue (Rp' bil)						
CPO	124.1	126.7	(2)	249.7	235.6	+6
Palm Kernels	13.3	12.8	+4	26.0	26.5	(2)
Fresh Fruit Bunch	4.2	-	+100	4.2	-	+100
Sales Volume (tonnes)						
CPO	14,006	19,508	(28)	30,012	36,519	(18)
Palm Kernels	3,100	4,314	(28)	5,994	8,568	(30)
Fresh Fruit Bunch	2,182	-	+100	2,182	-	100
Ave. Selling Price* (Rp/kg)						
CPO	8,859	6,492	+36	8,320	6,452	+29
Palm Kernels	4,277	2,966	+44	4,332	3,095	+40
Fresh Fruit Bunch	1,938	Not applicable	n.m.	1,938	Not applicable	n.m.

* 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: Rp10,644 for FY2020 and S\$1: Rp10,321 for FY2019



GLOBAL PALM RESOURCES HOLDINGS LIMITED

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 and Sustainability

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 surrounding small landholders in the development of small oil palm plantations, under its Plasma Programme.

Another area of focus for 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>.