



Q1 2017 FINANCIAL RESULTS

11 May 2017



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Q1 2017 highlights



Financial performance

- Revenue of US\$558.3m, EBITDA US\$25.4m, PBT of US\$14.8m, Operating Profit of US\$19.5m
- First full quarter consolidation of GMG Global Ltd and natural rubber assets of Sinochem International Corporation



Rubber prices continue to be volatile

- The market experienced excessive speculative involvement early on, hitting a high of US\$2,316/mT in February before retreating and closing the quarter at US\$1,759/mT



Disposal of 35% in SIAT S.A. for €192.56m

- Memorandum of Agreement entered into with Fimave SA/NV on 23 December 2016
- €5m Call Option Price received in February 2017
- Call Option can be exercised by the purchaser by 15 July 2017
- Once completed, cash proceeds are expected to further enhance Group's financial liquidity position



Financing activities

Multicurrency debt issuance programme established on 25 April 2014

- Programme limit increased from S\$300m to US\$1 billion with effect from 17 April 2017

Issuance of US\$150m 4.5% Senior Perpetual Securities

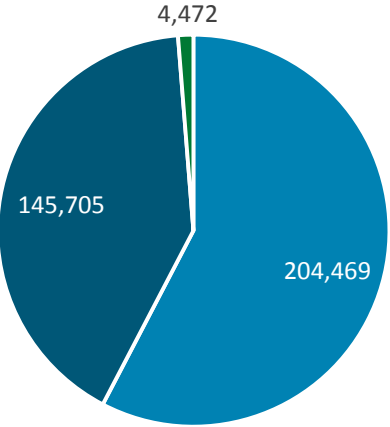
- Listed and quoted in the SGX-ST Bonds Market from 27 April 2017
- Redeemable after 2 years
- Constitute direct, unconditional, unsubordinated and unsecured obligations

Key financials

US\$m	Q1	
	2017	2016
Revenue	558.3	183.2
Gross profit	44.0	12.0
EBITDA	25.4	1.9
Operating profit/(loss)	19.5	(0.4)
Net income/(loss)	9.6	(6.5)
Sales volume (mT)	286,134	150,203
EBITDA after working capital interest (US\$m)	23.0	(0.2)
Operating profit/(loss) after working capital interest (US\$m)	17.0	(2.5)
Revenue/mT (US\$)	1,951	1,220
Operating profit/(loss)/mT (US\$)	68	(3)
Operating profit/(loss) after working capital interest/mT (US\$)	60	(17)

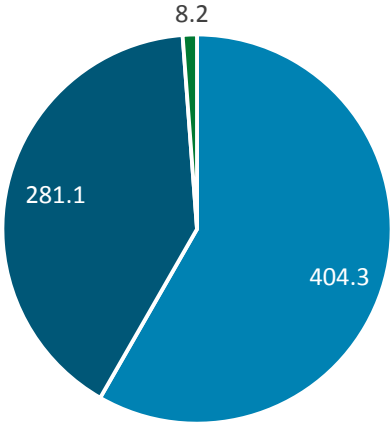
Q1 2017 segment contributions

Sales volume¹ (mT)



■ Processing ■ Distribution ■ Plantation

Revenue¹ (US\$m)



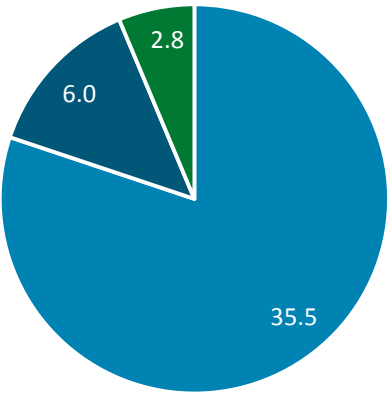
■ Processing ■ Distribution ■ Plantation

Larger volume and revenue contribution from processing vs distribution

Recovery of the rubber price, increased asset utilisation and improved position in procurement boosted the processing segment's performance

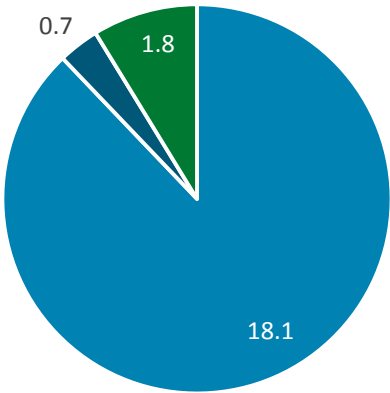
Note (1) Sales volume and revenue include intersegment amounts of 68,512 tonnes and US\$137.8m respectively

Gross profit (US\$m)



■ Processing ■ Distribution ■ Plantation

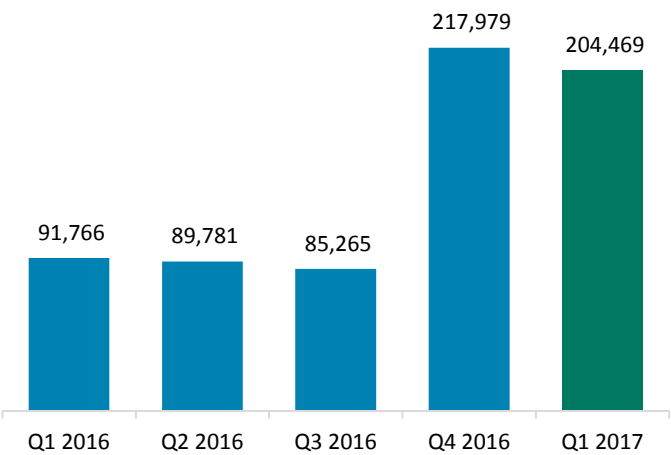
Operating profit (US\$m)



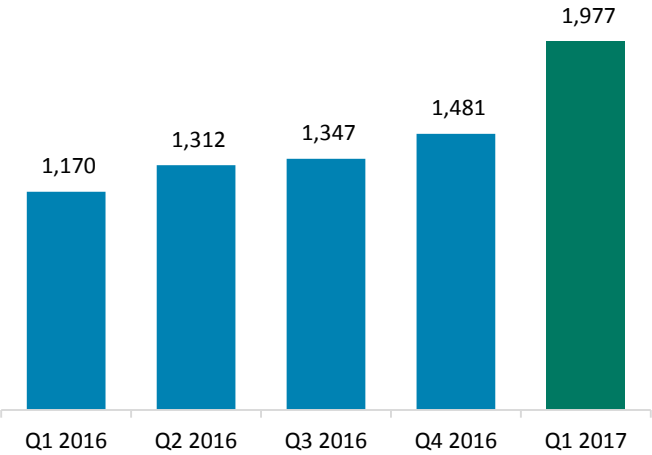
■ Processing ■ Distribution ■ Plantation

Operational metrics: Processing

Sales volume (mT)



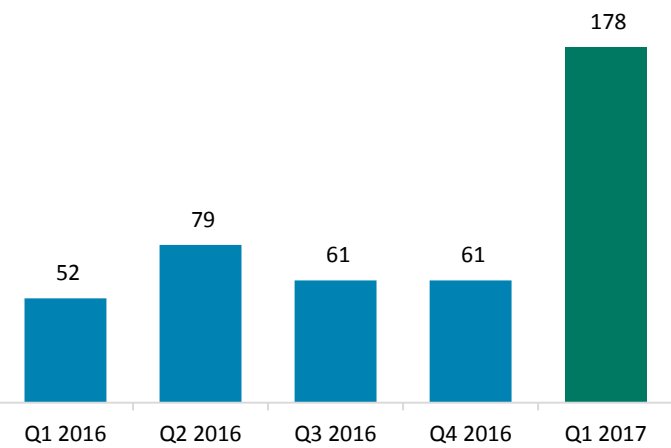
Average revenue/mT (US\$)



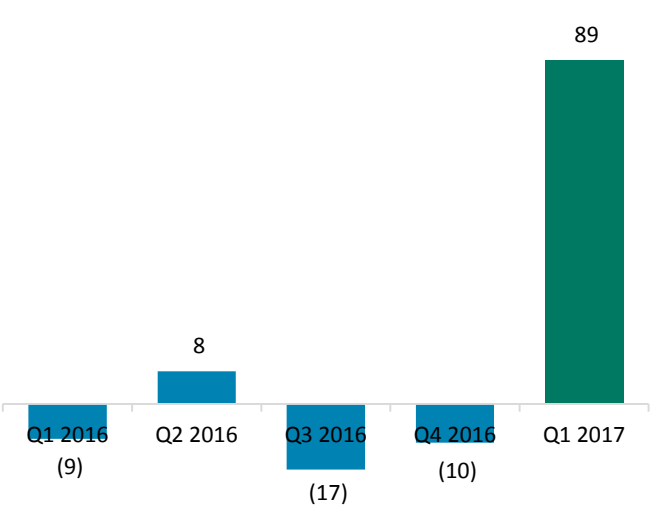
Slight decrease in volume affected by raw material availability due to wintering in Malaysia and flooding in Thailand

Improved margin from efficient raw material procurement, and fixed cost leverage from higher asset utilisation in Indonesia

Gross profit/mT (US\$)

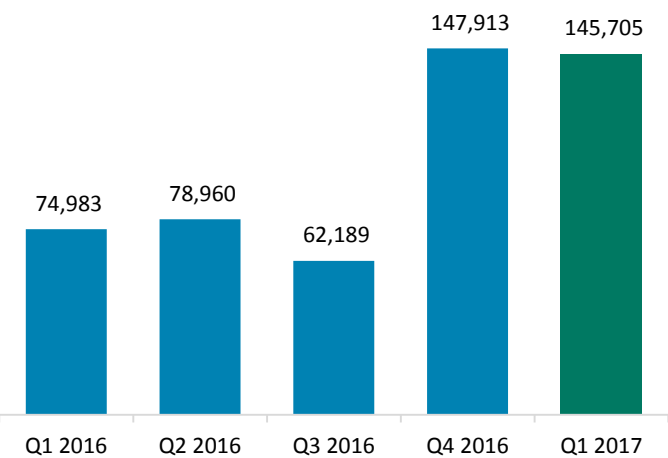


Operating profit/(loss)/mT (US\$)

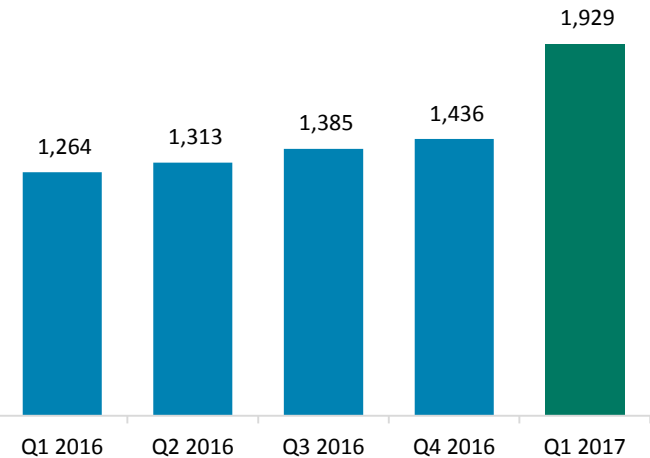


Operational metrics: Distribution

Sales volume (mT)

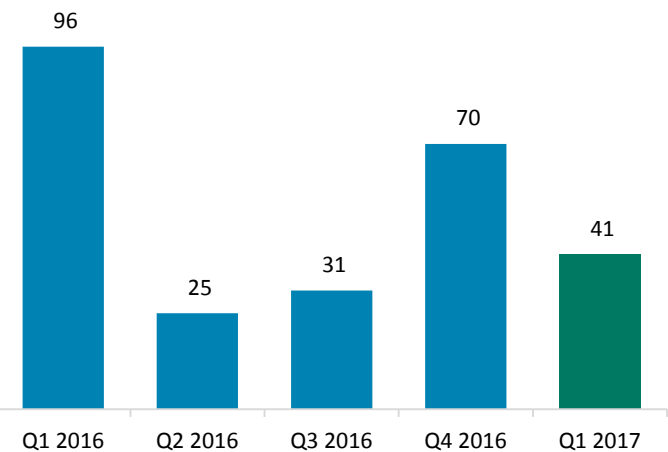


Average revenue/mT (US\$)

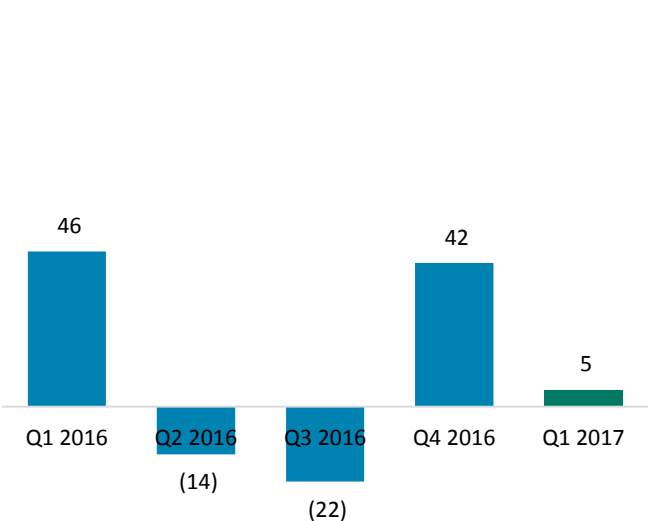


Volumes maintained however volatile market strained margins

Gross profit/mT (US\$)



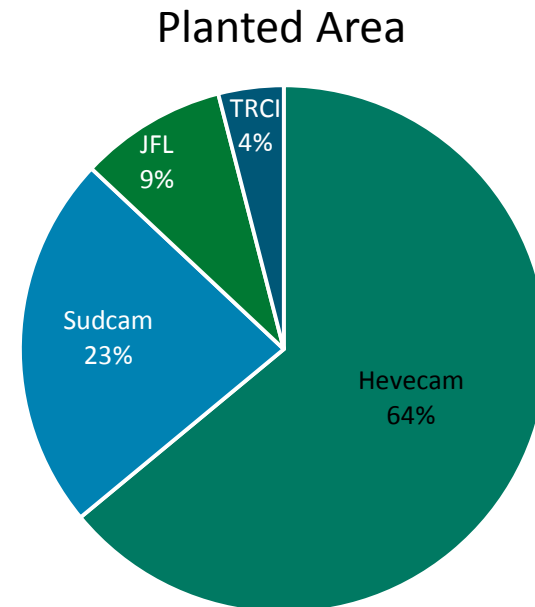
Operating profit/(loss)/mT (US\$)



Operational Metrics: Plantations

	Cumulative
Land area (freehold and leasehold)	122,856 ha
Plantable area	84,090 ha
Planted area	33,454 ha
-Immature plantation	18,306 ha
-Mature plantation	15,148 ha

Plantation	Planted Area (ha)
Hevecam	21,280
Sudcam	7,808
JFL	2,951
TRCI	1,415
Total planted area	33,454



Cash flow

US\$m	Q1	
	2017	2016
Net cash generated from/(used) in operating activities, before working capital changes	18.1	(1.1)
Changes in working capital	(168.8)	16.5
Net cash (used in)/generated from operating activities	(150.7)	15.4
Investing activities	(5.4)	(1.9)
Financing activities	151.2	(12.1)
Net (decrease)/increase in cash and cash equivalents	(4.9)	1.4

Increase in working capital is in line with the Group's strategy to expand capacity utilisation and hence, higher inventories holding. The increase in working capital is supported by the Group's working capital financing

Balance sheet

US\$m	31-Mar-17	31-Dec-16
Total assets	1,772.1	1,558.4
Working capital cash and bank balances	65.6	66.6
Inventories	398.4	320.0
Trade receivables	172.5	98.1
Total working capital assets	636.5	484.7
Total liabilities	(1,098.0)	(910.5)
Trade payables	(83.5)	(46.3)
Working capital loans (current)	(369.2)	(234.2)
Total working capital liabilities	(452.7)	(280.5)
Term loans and MTN	(493.5)	(464.0)
Total Equity	674.1	647.8
Net working capital	183.8	204.2



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