MEDIA RELEASE

For Immediate Release

HALCYON AGRI REPORTS STRONG RESULTS FOR Q1 2017

- Announces the Group's first consolidated results since the merger completed in end-2016
- Strong revenue of US$558.3m and EBITDA of US$25.4m
- Records profit before tax of US$14.8m and positive operating profit of US$19.5m

Singapore, 11 May 2017 - Natural rubber supply chain manager Halcyon Agri Corporation Limited ("Halcyon Agri" or collectively with its subsidiaries, the "Group") today announced strong results for the three months ended 31 March 2017 ("Q1 2017"). The improved earnings reflect the benefits reaped following the completion of the merger and acquisition strategy in December 2016.

A three-stage merger created Halcyon Agri as it is now – a comprehensive natural rubber supply chain manager, and substantial industry player possessing strong capabilities across each segment of the supply chain. Having integrated the natural rubber processing assets of Sinochem International Corporation Co., Ltd ("Sinochem") and GMG Global Ltd in 2016, Q1 2017 reveals the first consolidated set of results from the expanded Halcyon Agri.

Q1 2017 Financial Highlights

	Q1 2017	**Q1 2016**
	1 Jan 17 to 31 Mar 17	1 Jan 16 to 31 Mar 16
Revenue (US$m)	558.3	183.2
Gross profit (US$m)	44.0	12.0
EBITDA (US$m)	25.4	1.9
Operating profit / (loss) (US$m)	19.5	(0.4)
Net income / (loss) (US$m)	9.6	(6.5)
Profit / (loss) attributable to owners of the Company (US$m)	11.0	(6.6)
Adjusted earnings / (loss) per share (US cents)	0.69	(0.42)

Group Performance

Overall production capacity grew with the addition of 19 processing factories, boosting total sales volumes to 286,134 tonnes in Q1 2017, up from 150,203 tonnes in Q1 2016. Additional sales contributions were derived from the newly acquired assets as well as increased volume from existing operations.

Operationally, the Group recorded a total revenue of US$558.3 million and gross profit of US$44.0 million, mainly due to improved processing segment margins in Q1 2017. Following a price recovery of natural rubber from Q4 2016 onwards, the Group benefited from a fixed cost leverage from higher asset utilisation in Indonesia, as well as across all processing units, boosting overall processing segment contributions. Operations acquired in Q4 2016 also contributed to higher gross profit margins from more efficient raw material procurement.

Earnings before interest, tax, depreciation and amortisation ("EBITDA") for Q1 2017 was US$25.4 million, while earnings per share ("EPS") was 0.69 US cents, up from the adjusted loss per share ("LPS") of 0.42 US cents for Q1 2016[1]. The Group's net asset value ("NAV") per ordinary share stands at US$42.26[2] as at 31 March 2017, compared to an NAV of US$40.62 as at 31 December 2016.

In addition, the Group recorded a 4%, or approximately US$26.3 million, gain in net worth from US$647.8 million as at 31 December 2016 to US$674.1 million as at 31 March 2017, mainly due to the Group's Q1 2017 net income and foreign currency translation gain arising during the period.

Expanded Geographical Reach

Post-merger, Halcyon Agri's geographical reach now covers ownership of operating factories in key rubber producing areas of West Africa, Indonesia, Malaysia, Thailand and China. Envisioning a truly global franchise, the Group recently unveiled the "Halcyon's Global Village" concept at its FY2016 Annual General Meeting, which illustrates an integrated supply chain business model, providing customers with a comprehensive end-to-end product suite. Major existing and new assets were structured into more efficient and cost-effective management platforms and business operations. An integration of this scale has resulted in the realisation of certain cost and revenue synergies, which have positively impacted the Group's performance, thereby unlocking greater value for its stakeholders.

Halcyon Agri Executive Director and CEO Robert Meyer commented: "We are pleased to announce a strong set of results against a backdrop of volatile market conditions. The integration of our natural rubber assets is going smoothly. We are beginning to see a favourable impact on our Group performance, putting us in a relatively good stead for the year ahead. Halcyon Agri will continue to reinvent the rubber business, as we move towards a sustainable, customer-centric business model that will deliver consistent value to our stakeholders."

Corporate Activities

As previously announced, a Memorandum of Agreement was entered into with Fimave SA/NV on 23 December 2016 for the proposed disposal of a 35% stake in a non-core subsidiary, SIAT S.A., for €192.56 million. A €5 million Call Option Price was received in February 2017, call option to be exercised by the purchaser by 15 July 2017. Cash proceeds are intended to be used for working capital and/or strategic purposes, to enhance the Group's leverage and financial liquidity position.

Halcyon Agri increased the programme limit of its Multicurrency Debt Issuance Programme established on 25 April 2014, from S$300 million to US$1 billion, with effect from 17 April 2017. On 26 April 2017, Halcyon Agri also issued US$150 million 4.5% Senior Perpetual Securities under the updated

[1] For comparative purposes, the adjusted EPS/(LPS) for the periods under review have been computed based on the profit/(loss) attributable to owners of the company and number of ordinary shares in issue as at 31 March 2017 of 1,595,011,941 ordinary shares.

[2] Net asset value per ordinary share based on issued share capital, according to the Group's unaudited results, as at 31 March 2017.

programme. The perpetual security, redeemable after 2 years, has since been listed and quoted in the SGX-ST Bonds Market, and will constitute direct, unconditional, unsubordinated and unsecured obligations. Management is of the view that a combination of these financing activities will further strengthen the Group's balance sheet, and facilitate any plans to enhance shareholder value.

Industry and business commentary

The Group remains convinced that the rubber products it processes and distributes remain irreplaceable to global mobility, and health and safety needs. To support this, it continues to seek better ways to refine and enhance its customer-centric approach to aid more efficient processes in the industry. The ongoing alignment of the current rubber supply chain economics will favour originating entities of natural rubber – a space where Halcyon Agri is successfully developing its role as a unique global leader.

On the business side, the Group will continue to tighten operational cost controls, and strategically review and optimise its asset portfolio, in order to bring about sustainable long term growth and consistent supply of this essential industrial raw material.

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About Halcyon Agri

Halcyon Agri is a natural rubber supply chain manager, supporting the world's growing mobility needs through the origination, production and distribution of natural rubber. The Group owns 33 natural rubber processing factories in Indonesia, Thailand, Malaysia China and Africa and produces sustainable, natural rubber under its proprietary HEVEA*PRO* brand. It distributes its products and a range of other natural rubber grades, including latex, to an international customer base through its network of warehouses and sales offices in South East Asia, China, Europe, South Africa and the United States. The Group's workforce totals more than 14,000 people and its aggregate natural rubber distribution capacity is approximately 2 million tonnes per annum. Halcyon Agri is a subsidiary of Sinochem International Corporation.

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