

**NEWS RELEASE****HALCYON AGRI TO ACQUIRE 9 CRUMB RUBBER FACTORIES IN INDONESIA for S\$450m - MORE THAN DOUBLES CAPACITY TO 748,000 TONNES**

- *Definitive agreements signed to acquire Anson Company (Private) Limited, part of the Lee Rubber Group*
- *Acquires 9 additional factories in Indonesia with a total annual licensed export capacity of 408,000 tonnes*
- *Elevates Halcyon Agri to one of the top 5 TSR producers globally*
- *Highly synergistic - with the majority of operations in close proximity to Halcyon's existing factories in Sumatra*
- *Halcyon Agri's fourth acquisition since listing, bringing the total increase in capacity to nearly 700%*

**Singapore, 11 July 2014** – Natural rubber producer Halcyon Agri Corporation Limited today announced that it has signed definitive agreements to acquire Anson Company (Private) Limited (“Anson”) for an aggregate consideration of S\$450 million. Anson owns and operates 9 crumb rubber factories in South Sumatra, North Sumatra, Jambi and West Kalimantan, producing Standard Indonesian Rubber for leading global tyre producers. Anson produced and sold in excess of 300,000 tonnes of rubber in 2013 with revenues in excess of S\$960 million.

Halcyon Agri's Executive Chairman and CEO Robert Meyer said: “We are delighted to be acquiring Anson. Its roots trace back more than 80 years in Indonesia with a distinguished track record in the local communities as well the global rubber marketplace. Anson has modern, well-managed facilities that fit perfectly with our existing business. With this acquisition, we have transformed Halcyon Agri to be amongst the top 5 rubber producers worldwide, achieving one of the key goals we set for the development of our business.”

For the financial year ended 31 December 2013, Anson produced and sold 303,472 tonnes of natural rubber with revenues of S\$963.2m, EBITDA of S\$41.7m and Net Income of S\$29.1m. Anson includes only the Indonesian factory operations of the Lee Rubber Group and not the broader sales and merchandising operations, which will be undertaken in Halcyon Agri by its wholly-owned subsidiary Hevea Global Pte Ltd.

Mr Robert Meyer said “having the sales and merchandising of Anson’s production internal to Halcyon Agri enables the full margin from Anson’s sales to be captured within the Group, which would boost the profitability per tonne compared with the historical results and increase the overall earnings contribution from Anson substantially. Furthermore, significant scale benefits are expected to be realised by having our central business infrastructure costs spread over a much higher production base”.

The acquisition will be financed through a combination of internal resources, co-investment from Angsana Capital Ltd (wholly owned by CEO, Mr Robert Meyer), and syndicated loan facilities with Credit Suisse AG, Singapore Branch and DBS Bank Ltd as joint mandated lead arrangers and/or the issuance of debt securities. Halcyon Agri does not currently intend to undertake an equity fund raising exercise in connection with the acquisition. The transaction is subject to approval by Halcyon Agri’s shareholders at an Extraordinary General Meeting to be held in early August 2014.

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Note: This press release is to be read in conjunction with the related mandatory announcement filed by Halcyon Agri Corporation Limited on SGXNET.

## **About Halcyon Agri**

Halcyon Agri Corporation Limited and its subsidiaries (the "Group") operate in the midstream of the natural rubber supply chain, specialising in the processing and merchandising of natural rubber. The Group is headquartered in Singapore, where its risk management and merchandising operations are located, with key operating assets located in Indonesia and Malaysia. In Indonesia, the Group owns and operates two natural rubber processing factories in Palembang, the capital of South Sumatra Province, and the PT Golden Energi factory in the neighbouring Jambi Province. In Malaysia, the Group owns and operates two natural rubber processing factories (also known as Hevea KB) in Ipoh and 7,100 hectares of Sultanate land to be cultivated as natural rubber plantations in Kelantan. The Group's products are exported to a global customer base, including a substantial number of the top international tyre manufacturers.

*The Company was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 1 February 2013. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor").*

*This media release has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this media release.*

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