

HALCYON AGRI CORPORATION LIMITED

Company Registration No. 200504595D
(Incorporated in the Republic of Singapore)

RESPONSE TO THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED'S QUERY REGARDING TRADING ACTIVITY

IMPORTANT NOTICE: SHAREHOLDERS SHOULD NOTE THAT THERE HAS BEEN NO AGREEMENT FINALISED OR ENTERED INTO RELATING TO THE BUSINESS OR SHARES OF HALCYON AGRI CORPORATION LIMITED, AND NO ASSURANCE THAT ANY SUCH TRANSACTION WILL MATERIALISE. SHAREHOLDERS SHOULD TRADE WITH CAUTION AND NOT TAKE ANY ACTION PREJUDICIAL TO THEIR INTERESTS. IF IN DOUBT, SHAREHOLDERS SHOULD CONSULT THEIR PROFESSIONAL ADVISERS.

The Board of Directors (the "**Board**") of Halcyon Agri Corporation Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the query on 12 January 2016 from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), regarding the unusual price movements in the Company's shares and wishes to respond to the query as follows:

*Question 1 : Are you (the issuer) aware of any information not previously announced concerning you, your subsidiaries or associated companies which, if known, might explain the trading? Such information may include events that are potentially material and price-sensitive, such as discussions and negotiations that may lead to joint ventures, mergers, acquisitions or purchase or sale of a significant asset. You may refer to paragraph 8 in Appendix 7.1 of the Mainboard Rules for further examples.
- If yes, the information must be announced immediately.*

Company's response : The Board refers to the Company's responses to the queries from the SGX-ST on 9 September 2015 and 13 November 2015, in which the Board announced that the Company was in confidential discussions with certain parties regarding a potential strategic transaction.

The Board has a duty to assess all strategic options to maximise shareholder value and from time to time, enters into discussions on possible combinations involving the Company.

The Board also notes recent media reports concerning the Company and Sinochem International Corporation ("**Sinochem**"), and confirms that it is in discussions with Sinochem with the possibility of a potential strategic transaction involving the combination of the Group and Sinochem's interests in GMG Global Ltd and certain rubber-related assets of Sinochem, and the possibility of Sinochem purchasing a controlling interest in the Company.

The discussions on the potential transaction are ongoing and are subject to the requisite approvals. If materialised, they will also be conditional on the satisfaction of conditions precedent to be specified, including appropriate governmental, regulatory and shareholders' approvals (as may be necessary). The Board reiterates that while discussions are ongoing, neither the terms nor the structure of a possible transaction have been finalised or approved, and no definitive agreements have been entered into. In addition, contrary to certain media reports, the entry into the possible transaction is not imminent and there is no certainty that any transaction will be entered into and/or the timing of the same.

As such, there is no assurance that any transaction involving the business of the Group or any general offer for shares in the Company, will materialise or be forthcoming and the Board is not in any position to make a definitive announcement on the terms of any such transaction.

The Board will, in compliance with its obligations under the Listing Manual of the SGX-ST (the “**Mainboard Rules**”), make further announcement(s) of any material developments or if the definitive agreements have been entered into. Periodic announcement(s) on the progress of the discussions will be issued by the Company in compliance with applicable laws and regulations.

Question 2 : Are you aware of any other possible explanation for the trading? Such information may include public circulation of information by rumours or reports.

Company's response : The Board is not aware of any other possible explanation for the trading.

Question 3 : Can you confirm your compliance with the listing rules and, in particular, Mainboard Rule 703?

Company's response : The Company confirms that it is in compliance with the listing rules of the SGX-ST, in particular, Rule 703 regarding disclosure of material information.

The Company has obtained the Board's approval on the aforesaid replies to the query raised by the SGX-ST. In addition, the Board collectively and individually takes responsibility for the accuracy of the aforesaid replies to the queries raised by the SGX-ST.

By Order of the Board

Pascal Demierre
Executive Director
15 January 2016