

MANDATORY CONDITIONAL CASH OFFER

by

**AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED,
SINGAPORE BRANCH**



(Australian Company No.:005357522)
(Incorporated in Australia)

for and on behalf of

SINOCHEM INTERNATIONAL (OVERSEAS) PTE. LTD.

(Company Registration No.: 200305994Z)
(Incorporated in the Republic of Singapore)

a direct wholly-owned subsidiary of

SINOCHEM INTERNATIONAL CORPORATION

(Company Registration No.: 913100007109235395)
(Incorporated in the People's Republic of China)

to acquire all the issued and paid-up ordinary shares in the capital of

HALCYON AGRI CORPORATION LIMITED

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

other than those already owned, controlled or agreed to be acquired by Sinochem International (Overseas) Pte. Ltd. and parties acting in concert with it

1. INTRODUCTION

Reference is made to the Offer Document dated 25 July 2016. Capitalised terms used herein, unless otherwise defined, shall have the meanings ascribed in the Offer Document.

2. PARTICIPATION BY CHINA-AFRICA DEVELOPMENT FUND

Sinochem and the Offeror have today entered into a conditional exchangeable bonds subscription agreement with China-Africa Development Fund and its investment entity ("**Investor**"), whereby the Investor will, subject to receipt of all regulatory approvals, conditions, clearances, filings and/or rulings being obtained and complied with, subscribe for exchangeable bonds in the Offeror in respect of an aggregate amount of US\$90,000,000 ("**Exchangeable Bonds**").

Upon closing of the GMG VGO or completion of the NR Assets Acquisition, whichever is later (or such other date as may be agreed between the parties), the Offeror will transfer Shares amounting to US\$90,000,000 to the Investor at the exchange price of S\$0.75 per Share (which is equivalent to the Offer Price) by directing the Company to issue such Shares (comprising part of the consideration to be received by the Offeror in connection

with the GMG VGO and NR Assets Acquisition) to the Investor ("**Bonds Exchange Completion**"). Upon Bonds Exchange Completion, the Exchangeable Bonds will cease to exist.

The parties have also entered into a conditional shareholders' agreement ("**Shareholders' Agreement**") to regulate their rights and obligations as shareholders of the Company on the Bonds Exchange Completion, and are considered to be acting in concert with the Offeror in relation to the Company.

For illustration purpose, assuming:

- (a) an exchange rate of US\$1:S\$1.35, on the Bonds Exchange Completion;
- (b) the Offeror holds 53.98% of all issued Shares on close of the Offer; and
- (c) an acceptance level of between 51.12% ("**Minimum VGO Acceptance Scenario**") and 100% ("**Maximum VGO Acceptance Scenario**") of all issued GMG shares in the GMG VGO by GMG shareholders (which in the former case would mean that no GMG shareholder other than the Offeror accepts the GMG VGO by the Company, and in the latter case would mean that all GMG shareholders accept the GMG VGO by the Company).

the Investor will hold 162,000,000 Shares (comprising approximately 13.01% and 10.16% of the entire issued and paid-up share capital of the Company on Bonds Exchange Completion under the Minimum VGO Acceptance Scenario and Maximum VGO Acceptance Scenario, respectively), and the Offeror will hold 807,413,544 Shares (comprising approximately 64.82% and 50.62% of the entire issued and paid-up share capital of the Company on Bonds Exchange Completion under the Minimum VGO Acceptance Scenario and Maximum VGO Acceptance Scenario, respectively).

As such, on Bonds Exchange Completion, the Offeror Concert Group (including the Investor) will hold 969,413,544 Shares (comprising approximately 77.83% and 60.78% of the entire issued and paid-up share capital of the Company on Bonds Exchange Completion under the Minimum VGO Acceptance Scenario and Maximum VGO Acceptance Scenario, respectively).

As at the date of this announcement, save for the Exchangeable Bonds, neither China-Africa Development Fund, the Investor nor any of their directors hold, directly or indirectly, any Company Securities nor have previously dealt for value in any Company Securities.

Introduction to China-Africa Development Fund

China-Africa Development Fund is a PRC governmental initiative, which aims to encourage and support Chinese enterprises to invest in Africa, to create positive economic and social outcomes in Africa, consolidate the foundation for development of economies of African countries, as well as strengthen Africa's capacity to develop on its own and enhance its competitiveness in the global economic landscape. Operated by the China Development Bank (being the world's largest development finance institution, and the largest Chinese bank for foreign investment and financing cooperation, long-term lending and bond issuance), China-Africa Development Fund will reach a designated total capital of US\$10 billion, and has to-date deployed its investments in African related industries ranging from, amongst others, agriculture, infrastructure, manufacturing, industrial parks to resource development.

3. RESPONSIBILITY STATEMENT

The directors of the Offeror (including any who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or publicly available sources (including, without limitation, in relation to the Group), the sole responsibility of the directors of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this announcement.

Issued by

Australia and New Zealand Banking Group Limited, Singapore Branch

For and on behalf of

Sinochem International (Overseas) Pte. Ltd.

11 August 2016

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