

MEDIA RELEASE

For Immediate Release

**HALCYON AGRI CEMENTS POSITION AS ONE OF THE WORLD'S
LEADING LATEX AND SPECIALISED RUBBER DISTRIBUTORS WITH
US\$33.8M ACQUISITION OF RCMA GROUP'S POLYMER BUSINESS**

- *Combination makes Halcyon Agri a leading distribution hub for latex and specialty tyre rubber*
- *Acquisition assets include some of the world's oldest rubber trading names*
- *Expands rubber value chain activities with foothold in synthetic rubber business*

Singapore, 21 November 2017 - Halcyon Agri Corporation Limited ("Halcyon Agri" and collectively with its subsidiaries, the "Group"), one of the world's largest natural rubber supply chain managers, has entered into an agreement with RCMA Group Pte Ltd ("RCMA Group") to acquire the assets and entities of its Polymer Division ("RCMA Polymer Division") for up to US\$33.8 million. The division offers end-to-end services for the polymer industry, including natural rubber and latex, synthetic rubber, chemicals and reclaimed rubber, laboratory and certification services.

The acquisition of RCMA Polymer Division provides Halcyon Agri the opportunity to capitalise on some of the world's oldest trading names in natural rubber, latex and synthetic rubber, thereby enhancing the Group's market position. In addition, the combination of Halcyon Agri and RCMA Polymer Division will create one of the world's largest distribution hubs for latex and specialty tyre rubber.

The assets and entities to be acquired will be injected into two of Halcyon Agri's sales and distribution arms, namely, Centrotech Holdings Pte Ltd ("CTH") and New Continent Enterprises (Private) Limited ("NCE").

CTH

A total of four business units from RCMA Polymer Division will be injected into CTH, which has been set up to function as an active asset manager and funding platform. The acquisition of RCMA (Hatyai) Limited and RCMA Terminals B.V. will be in the form of equity deals, while Halcyon Agri will acquire the polymer-related assets of RCMA Europe B.V., RCMA Americas Inc. and RCMA Commodities UK Ltd. The acquisition will also include the Wurfbaun, Corrie MacColl, and Alan Grant distribution franchises, some of the world's oldest and most established rubber trading names in their respective home markets. Besides the expansion of its European and American distribution assets, the acquisition will also allow Halcyon Agri to gain an immediate foothold in the synthetic rubber market.

The acquisition also marks the renaming of GMG Global Ltd to Halcyon Rubber & Plantations Pte Ltd ("HRP"). GMG Global Ltd became the parent company of CTH after it was acquired by Halcyon Agri and delisted from the Singapore Exchange in 2016. In addition to CTH, HRP also owns Société de Développement du Caoutchouc Camerounais ("SDCC").

CTH has played an integral role in expanding the distribution activities under Centrotech Deutschland GmbH ("Centrotech"), adding China as an important growth driver to its international markets of Malaysia, the United States and Europe. Centrotech will continue to develop its Centex brand of specialised latex, with a specific focus on marketing the latex and rubber produced from the two Cameroon plantations owned and operated by SDCC.

More significantly, the Group’s in-house laboratory and testing facilities, along with the combined franchises of Centrotech, Wurfbain, Corrie MacColl, and Alan Grant, will provide the global marketplace for specialty latex and rubber with unparalleled technical support and expertise for a seamless global supply network.

In all, the combination of CTH, a world-class speciality rubber distribution platform, with SDCC, the world’s largest rubber plantation business, will create a unique opportunity for HRP to develop tailor-made polymer solutions for the latex and speciality rubber consuming industry. This will also enhance Halcyon Agri’s position as the market leader in the Global Non-Tyre Majors and Specialty Tyre segment.

NCE

NCE will take over selected employees from the Singapore-based polymer division of RCMA Asia Pte Ltd, which will better position NCE to develop its origination and hedging capabilities and increase distribution volume accordingly.

An overview of the acquisition structure is shown below:

Halcyon Agri	Key Assets of RCMA Polymer Division including trading names	Benefits
CTH (Global Non-Tyre and Specialty Tyre Business)	<ul style="list-style-type: none"> • L. Wurfbain & Co (“Wurfbain”) • Corrie MacColl & Sons (“Corrie MacColl”) • Alan L. Grant (“Alan Grant”) • Polymer-related assets of RCMA Europe B.V. • Polymer-related assets of RCMA Americas Inc. • 100% equity in RCMA (Hatyai) Limited - <i>The equity injection will be split among G.P. Sentosa Enterprises (51%), HRP (49%), and CTH (1%)</i> • 100% equity in RCMA Terminals B.V. • Employees from RCMA Polymer Division of RCMA Commodities UK Ltd 	<ul style="list-style-type: none"> • Post-acquisition, CTH is envisaged to become a leading distributor of latex and natural rubber in the Global Non-Tyre and Specialty Tyre segment
NCE (Chinese Tyre Majors Business)	<ul style="list-style-type: none"> • Employees from RCMA Polymer Division of RCMA Asia Pte Ltd 	<ul style="list-style-type: none"> • NCE will be in a stronger position to increase its distribution volume and is expected to generate positive revenue contribution

Robert Meyer, Executive Director and Chief Executive Officer of Halcyon Agri, said, “The acquisition of RCMA Polymer Division is in line with our strategy to expand the depth and breadth of our operations, and gives us good reason to be excited about our future. Leveraging the combined Halcyon Agri-RCMA scale of operations as well as some of the world’s most established trading names in natural rubber, latex and synthetic rubber, this acquisition will place us in good stead to derive greater synergies and drive the growth of our franchise going forward.”

Chris Pardey, Chief Executive Officer of RCMA Group, said, “Whilst the Polymer business has been a core business of the RCMA Group for many years, this divesture to Halcyon Agri will secure the long-term future of that business and its employees. Halcyon Agri has successfully grown to become one of the largest producers and processors of rubber in the world, and we are pleased to entrust our polymer business to them. Over recent years, RCMA’s business has expanded significantly into other sectors within the commodity landscape. Building the long-term future of these businesses will now become the focus of our group.”

Chris Tjia, Director of RCMA Americas, Inc. who will be joining Halcyon Agri, said, “This is a significant development for both the RCMA Polymer Division and Halcyon Agri. With the complementary strengths of both businesses, this acquisition will allow us to leverage each other’s capabilities and strengthen Halcyon Agri’s position in the industry. We look forward to working together to accelerate the sustainable growth of rubber.”

The acquisition, which will be funded by existing internal resources, comes less than two months after the completion of Halcyon Agri’s disposal of its 35% stake in SIAT S.A. for €192.56 million on 31 October 2017. The acquisition is subject to the fulfilment of certain conditions precedent, including relevant approvals from regulatory authorities. The acquisition is expected to complete in the first week of January 2018.

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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 HEVEAPRO 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 15,000 employees, and its aggregate natural rubber distribution capacity is approximately 2 million metric tonnes per annum.

About RCMA Group

The RCMA Group is an international trading house active in the rubber, cotton, sugar, coffee, and energy markets. The RCMA Group specializes in commodity supply chain management and international trade. Headquartered in Singapore, the RCMA Group has offices in China, Vietnam, Thailand, the Netherlands, the United Kingdom, Guatemala, Colombia, Brazil, and the United States. As strategic partners to both producers and consumers, the RCMA Group’s expanding global footprint, extensive product offerings, strategic assets investments and strong market expertise, all combine to offer clients unrivalled value in the international commodity markets. The RCMA Group brings centuries of experience in the commodities market. With its origins tracing back to 1780, the RCMA Group continues to build on its extensive knowledge through strategic partnerships and investments to bring value and opportunities to its clients with a global reach and a local touch.

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