



# ANNUAL GENERAL MEETING

28 April 2017



# Meeting Schedule

Time	Item
9:30am - 9:35am	Chairman's address
9:35am - 9:55am	Reading of AGM resolutions polling
9:55am - 10:15am	Group update and FY 2016 results presentation
10:15am - 10:30am	Q&A session
10:30am - 10:45am	Polling results announcement
End	Refreshments

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# Important notice

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# Halcyon's Global Village



# New Appointments: Board of Directors

## Liu Hongsheng

Non- Executive Chairman



### Current Appointment:

- Appointed Non-Executive Chairman on 16 January 2017
- Co-Chairman of the Strategy and Investment Committee
- Executive Director and President of Sinochem International Corporation.

### Previous roles in Sinochem International Corporation:

- Vice President of Sinochem International Corporation
- Senior Vice President in the chemicals segment
- GM of the logistics business division.

### Prior to joining Sinochem (2000):

- Deputy Head of the Human Resources department of the Ministry of Foreign Trade and Economic Cooperation
- First Secretary of the Economic & Commercial Counsellor's Office at the Chinese Embassy in Thailand

### Education:

- Bachelor Degree in philosophy from Peking University
- Executive Master's Degree in Business Administration (EMBA) from Shanghai Maritime University.

## Li Dajun

Executive Deputy Chairman



### Current Appointment:

- Appointed Executive Deputy Chairman on 15 November 2016
- Member of the Nominating Committee

### Previous Roles in Sinochem International Corporation,

- Senior Vice President at Sinochem International Corporation
- GM of Sinochem Crop Protection Products Co., Ltd.
- GM (Agrochemical Business) of Sinochem International Corporation
- GM of Sinochem International Corp Care Co., Ltd.
- GM of Sinochem Argo Co., Ltd.

### Education:

- Bachelor Degree in Biology from Shaanxi Normal University
- Bachelor Degree in International Trade from the University of International Business and Economics
- Master's Degree in Business Administration from Fudan University – BI Norwegian School of Management.

## Raymond John Ferguson

Independent Director



### Current Appointment:

- Appointed Independent Director on 15 November 2016
- Co-Chairman of the Strategy and Investment Committee
- Executive Chairman of Caber Financial Pte Ltd.

### Previous Appointments

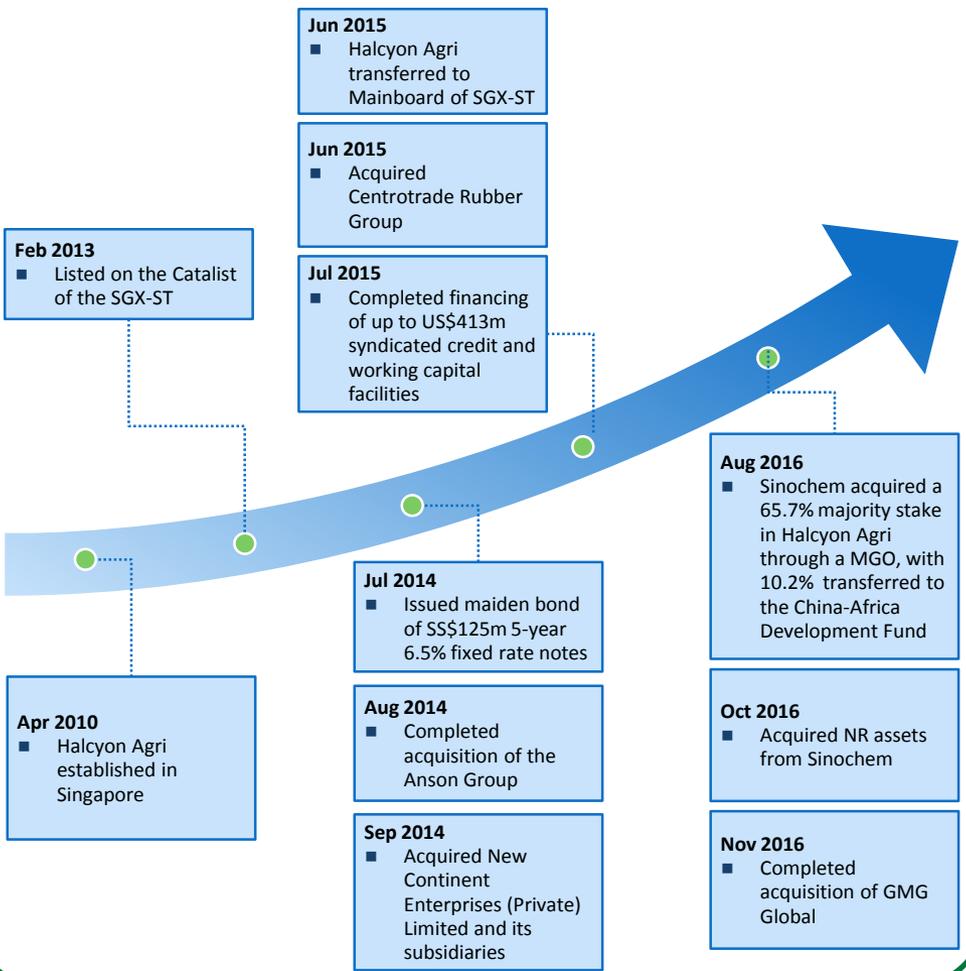
- Chairman and Director of several Standard Chartered Bank (SCB) subsidiary boards
- Chief Executive Officer of SCB, Singapore from Aug 2009 until March 2014, in addition to his role as Regional Chief Executive Officer, Southeast Asia, a position which he held from December 2007 to January 2012
- Group Deputy Chief Executive Officer, Executive Vice President and Group Chief Banking Officer of Arab Banking Corporation from April 2014 to January 2017

### Education:

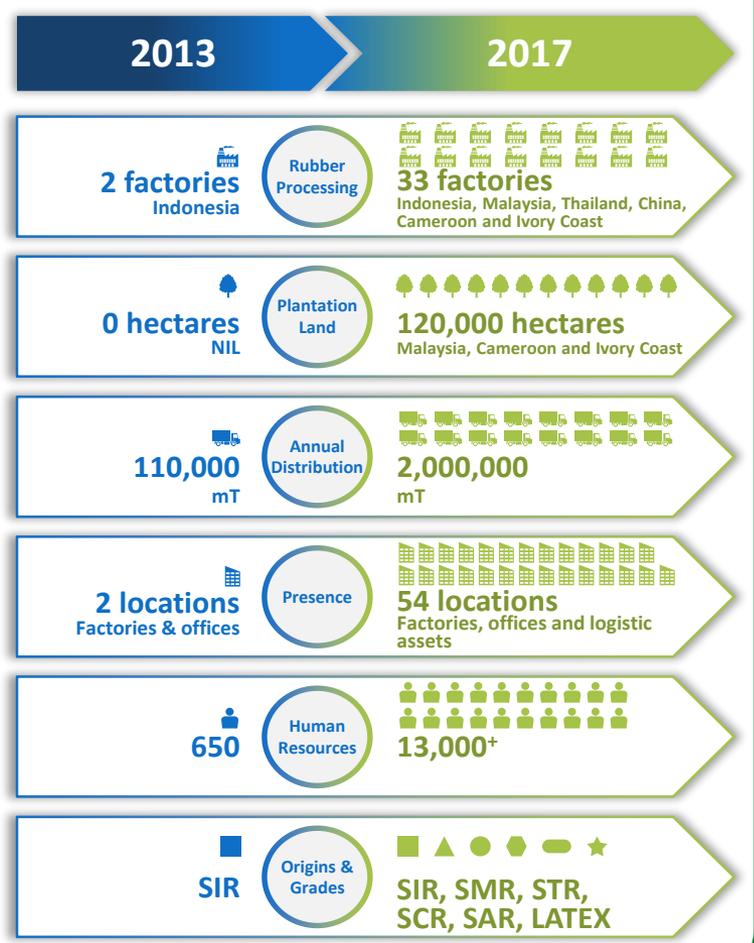
- Masters Degree in Business Administration from Henley Management College and Brunel University

# The transformation of Halcyon Agri

## Key milestones



## Halcyon Agri's transformation



Source Company disclosure and filings. Recent acquisition information (2016) obtained from Shareholder's Circular dated 16 May 2016: [https://www.halcyonagri.com/wp-content/uploads/2016/05/HAC\\_Circular\\_GMG\\_VGO\\_NR\\_Assets.pdf](https://www.halcyonagri.com/wp-content/uploads/2016/05/HAC_Circular_GMG_VGO_NR_Assets.pdf).

# Operations Structure

	Industrial distribution & latex	Global tyre majors	PRC tyre majors
Distribution	United States  Europe  China  Southeast Asia 	Singapore 	China 
Processing	Cameroon 1  China 5  Thailand 5 	Indonesia 14  Ivory Coast 2 	Malaysia 3  Thailand 5  China 8 
Plantations	Cameroon 2  111,432ha / 29,088ha <sup>1</sup>	Ivory Coast 1  1,581 ha / 1,415ha <sup>1</sup>	Malaysia 1  9,844ha / 2,951ha <sup>1</sup>
			
	Consumer & industrial goods	Tyre majors	

<sup>1</sup> Refers to total/planted area. Figures as of 25 April 2017

# Scale, Scope & Reach



ORIGINATE

**84,000**<sub>ha</sub>  
Plantable

Africa & Malaysia  
plantations

Global procurement  
reach



PRODUCE

**1.4 million**<sub>mT</sub>



**6** origins

**33** Production  
Facilities



DISTRIBUTE

Sales presence &  
logistics assets in



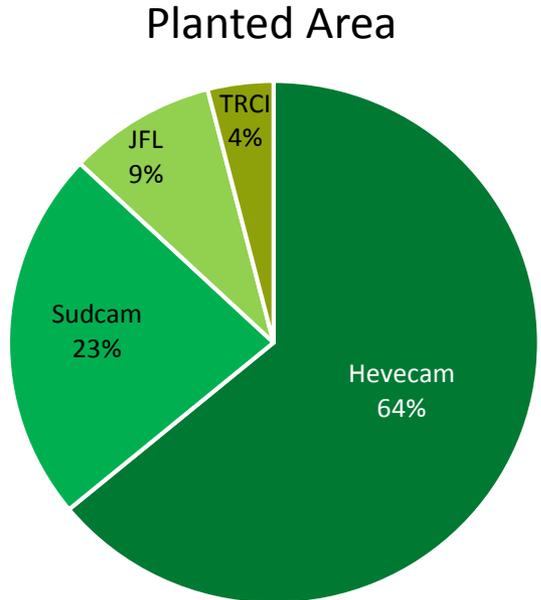
**39**

Cities worldwide

# Operational Metrics: Plantations

	<b>Cumulative</b>
Land area (freehold and leasehold)	122,856 ha
Plantable area	84,090 ha
Planted area	33,454 ha
-Immature plantation	18,306 ha
-Mature plantation	15,148 ha

<b>Plantation</b>	<b>Planted Area (ha)</b>
Hevecam	21,280
Sudcam	7,808
JFL	2,951
TRCI	1,415
<b>Total planted area</b>	<b>33,454</b>



Figures as of 25 April 2017.

# Operations Metrics: Production

## 33 Production facilities

Location	No. of factories	Capacity (mT)
Indonesia	14	629,000
Malaysia	3	220,000
Thailand	5	275,000
China	8	180,000
Ivory Coast	2	56,000
Cameroon	1	55,000
<b>Total</b>	<b>33</b>	<b>1,415,000</b>



# Operation Metrics: Distribution



# Highlights

## **2016**

### **Financial performance**

- Revenue of US\$1.0 billion
- Profit Before Tax of US\$75.3 million

### **Corporate activities**

- Sinochem International Corporation (“SIC”) became the majority shareholder
- Acquisition of GMG Global Ltd and SIC natural rubber business completed
- Syndicated financing facility replaced with 5- year term loan from China Construction Bank, expects financing cost savings in 2017

### **Large- scale operations**

- 90% increase in production capacity to 1.4 million mT/ annum, produce in 6 geographical origins
- Distribution capacity of 2.0 million mT/ annum
- 84,000 ha of plantable land in Malaysia, Cameroon and Ivory Coast

### **Volatile market with strong recovery**

- Natural rubber price fluctuated 106% in 2016
- Price hits 3- year high of US\$2,149/mT in the fourth quarter

### **Disposal of 35% in SIAT S.A**

- Memorandum of Agreement entered into with Fimave SA/NV on 23 December 2016
- Sale consideration €192.56 million
- €5 million Call Option Price received in February 2017
- Call Option can be exercised by the purchaser by 15 July 2017 (or any later date agreed between the parties)

## **2017**

### **Multicurrency debt issuance programme established on 25 April 2014**

- Programme limit increased from S\$300 million to US\$1.0 billion with effect from 17 April 2017

### **Issuance of US\$150 million 4.5% Senior Perpetual Securities**

- Listed and quoted in the SGX-ST Bonds Market from 27 April 2017
- Redeemable after 2 years
- Constitute direct, unconditional, unsubordinated and unsecured obligations

# Key Financials

US\$m	Full year	
	2016	2015
Revenue	1,010.3	994.7
Gross profit	50.9	62.2
Operating profit <sup>1</sup>	100.4	33.6
Net income/(loss)	71.9	4.7
Sales volume (mT)	739,210	667,800
Revenue/mT (US\$)	1,367	1,490
Gross profit/ mT (US\$)	69	93

Note (1) Operating profit includes net bargain purchase gain on acquisition of subsidiaries of US\$117m

# Cash Flow

US\$m	Full year	
	2016	2015
Net cash (used in)/generated from operating activities, before working capital changes	(12.5)	15.3
Changes in working capital	(37.1)	3.5
Net cash (used in)/generated from operating activities	(49.6)	18.8
Investing activities	37.8	(27.2)
Financing activities	7.4	8.4
Net increase/(decrease) in cash and cash equivalents	(4.4)	0.0

Note: Numbers may not add up due to rounding

# Balance Sheet

US\$m	31-Dec-16	31-Dec-15
<b>Total assets</b>	<b>1,558.4</b>	<b>658.0</b>
Working capital cash and bank balances	66.6	70.5
Inventories	320.0	102.9
Trade receivables	98.1	65.0
<b>Total working capital assets</b>	<b>484.7</b>	<b>238.4</b>
<b>Total liabilities</b>	<b>(910.5)</b>	<b>(532.9)</b>
Trade payables	(46.3)	(11.2)
Working capital loans (current)	(234.2)	(166.9)
<b>Total working capital liabilities</b>	<b>(280.5)</b>	<b>(178.1)</b>
Term loans and MTN	(464.0)	(256.3)
<b>Total Equity</b>	<b>647.8</b>	<b>125.1</b>
<b>Net working capital</b>	<b>204.2</b>	<b>60.3</b>

Note: Numbers may not add up due to rounding



## Q&A Session





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