

FOR IMMEDIATE RELEASE

Halcyon Agri provides corporate updates

SINGAPORE, 26 October 2020 – Halcyon Agri Corporation Limited (“**Halcyon Agri**”, the “**Company**” and collectively with its subsidiaries, the “**Group**”) wishes to provide an update following its previous announcements¹ that it is continuing to monitor the market for the proposed issuance of such guaranteed perpetual securities (“**Proposed Issuance**”), and has appointed arranger banks for the Proposed Issuance.

The Company will make further announcement(s) as and when there are material developments to the Proposed Issuance.

Separately, the Company has made good progress in negotiating its financing arrangements with certain banks. Commenting on the progress, Li Xuetao, Chief Executive Officer of Halcyon Agri said, *“The successful completion of the Company’s funding initiatives will be a significant milestone in the Group’s endeavour to strengthen its capital structure. As the world economy is recovering from COVID-19 pandemic, the demand for natural rubber has returned progressively and rubber prices have also recovered considerably. Halcyon Agri is positioned to benefit from the market’s post-pandemic recovery with the improved capital structure going into 2021.”*

Since the end of June, despite uncertainties around global economy, downstream industries are gradually ramping up production activities, and customer offtakes are recovering progressively. Rubber prices have also improved considerably, due to the improving demand for natural rubber. The natural rubber pricing benchmark – SICOM TSR20 1st position has risen by 50.1%, from US\$1,093 in end June to US\$1,641 as of 23 October 2020. The recovery in demand has boosted the capacity utilisation of the Group’s factories which was adversely affected in H1 2020 by the weakened downstream demand.

Our sustainability efforts bear fruit

In a separate update, the Company is also proud to announce that its sustainability efforts have garnered recognition from respected third-party organisations.

Halcyon Agri awarded Gold Medal by EcoVadis

Halcyon Agri has been awarded the EcoVadis Gold medal, one of the world’s leading business sustainability rating agency, in recognition of its responsible conduct in the environment, labour practices, ethics and sustainable procurement. The latest assessment shows an improved score from 55/100 to 68/100, which earned Halcyon Agri the gold rating for the first time.

A 13-point improvement from the previous year’s rating, Halcyon Agri now ranks in the top 4% amongst the industry peers, which strengthened its position as the sustainability leader in the natural rubber industry. Halcyon Agri will continue to advance its sustainability agenda and strive to exceed the standards and expectations placed by the Ecovadis assessment framework.

¹ https://links.sgx.com/FileOpen/HAC_Funding_Options_Updates.ashx?App=Announcement&FileID=629844
https://links.sgx.com/FileOpen/HAC_Funding_Options_Updates.ashx?App=Announcement&FileID=631535

JFL receives MSPO certification

JFL Holdings Sdn Bhd, the concession holder of the Group's Malaysian plantations, received the Malaysian Sustainable Palm Oil (MSPO) certification. The certification, granted by the Malaysian Palm Oil Certification Council (MPOCC), is a testament to Halcyon Agri's industry-leading plantation practices, which was developed through global collaborative efforts and consultative approach with the local communities over the past few years.

More information about the certification can be found [here](#).

Further to securing the green loan from Deutsche Bank² earlier this year, such achievements are testament to the Group's commitment to the highest standard of sustainability in all facets of its business.

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About Halcyon Agri

Halcyon Agri (SGX: 5VJ) is a leading supply chain franchise of natural rubber with a production capacity of 1.6 million metric tonnes per annum. The Group owns 38 processing factories in most major rubber producing origins and produces sustainable natural rubber under the audited HEVEAPRO brand. The Group leverages its extensive network of warehouses, terminals, laboratories and sales offices across the world to distribute a range of natural rubber grades, latex and specialised rubber for the tyre and non-tyre industries. Halcyon Agri is headquartered in Singapore and has about 15,000 employees in over 50 locations.

Please visit us at www.halcyonagri.com

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² https://links.sgx.com/FileOpen/HAC_Rule704_31_DB_Green_Loan.ashx?App=Announcement&FileID=619775