

FOR IMMEDIATE RELEASE

## Halcyon Agri provides Q3 2023 business updates

**SINGAPORE**, 24 November 2023 – Halcyon Agri Corporation Limited (“**Halcyon Agri**”, the “**Company**” and together with its subsidiaries, the “**Group**”) today announced its business updates for the third quarter and nine-month period ended 30 September 2023 (“**Q3 2023**” and “**9M 2023**”).

The Group continues to realise synergies from integration with Hainan Rubber Group, which has driven an increase in the Group’s sales volume and revenue for the third consecutive quarter. This is further buoyed by the gradually recovering downstream demand, from the surge in industrial and manufacturing activities, as well as the stabilisation of the global interest rates.

With the overall improvement in demand and an uptick in rubber market prices, the Group’s gross profits and EBITDA in Q3 2023 increased compared to the previous quarter, in tandem with the revenue growth. However, due to the impact of high financing costs, the Group remained in a loss after tax position in Q3 2023.

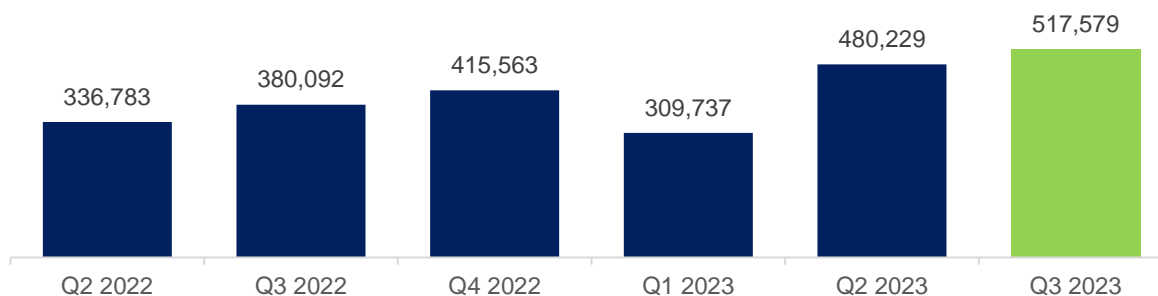
### CEO’s Remarks

Commenting on the Group’s Q3 2023 outcome, **Mr Li Xuetao (李雪涛), Chief Executive Officer** said, *“Amid the global macroeconomic uncertainties caused by the high interest rate environment, concerns over inflation as well as the geopolitical conflicts, the rubber prices have been strengthening over the past few months which is testament to the recovering demand. While we expect that the operating conditions in Q4 2023 will remain challenging, we continue to focus on enhancing our strength, and explore integration opportunities with our controlling shareholder to unlock synergistic value, and enhance returns for our stakeholders.”*

Mr Li further added, *“In 2024, the European Union Regulation on Deforestation-free Products (EUDR) will enter into force for natural rubber products. This regulation requires the downstream players to engage closely with their supply chain partners, especially in the upstream sector. This will be a positive change that rejuvenates the natural rubber industry, for which the prolonged price volatilities have discouraged farmers to continue tapping rubber or worse, engaging in unsustainable farming to save costs. We will work closely with our stakeholders to support them when the new regulation is in place.”*

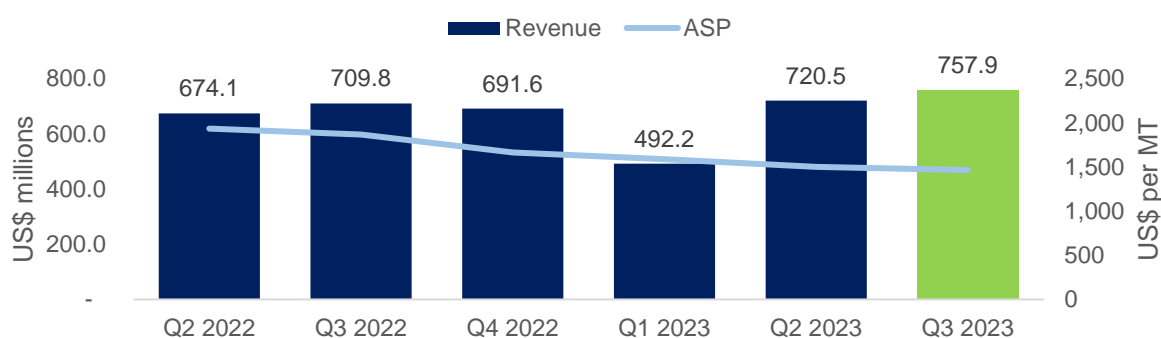
## Financial Performance Summary

### Sales volume (in metric tonnes)



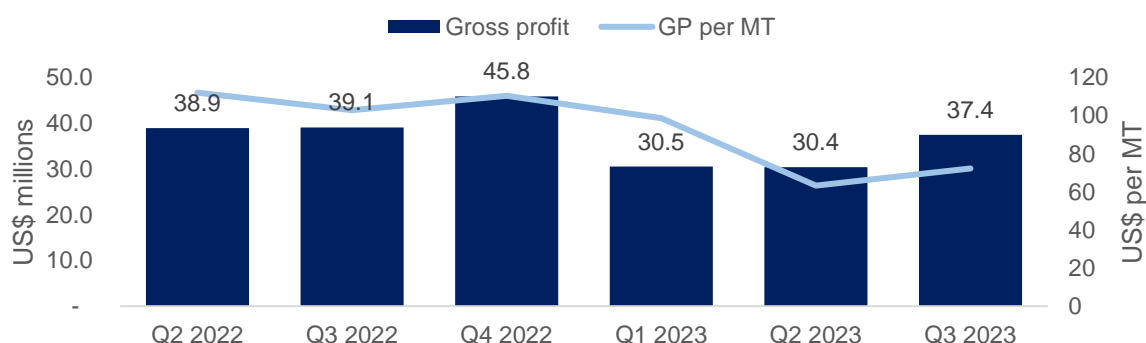
Q3 2023 sales volume rose to 517,579 MT from 380,092 MT in Q3 2022 and 480,229 MT in Q2 2023, underlining the initial benefits of integration with Hainan Rubber Group.

### Revenue and Average Selling Price

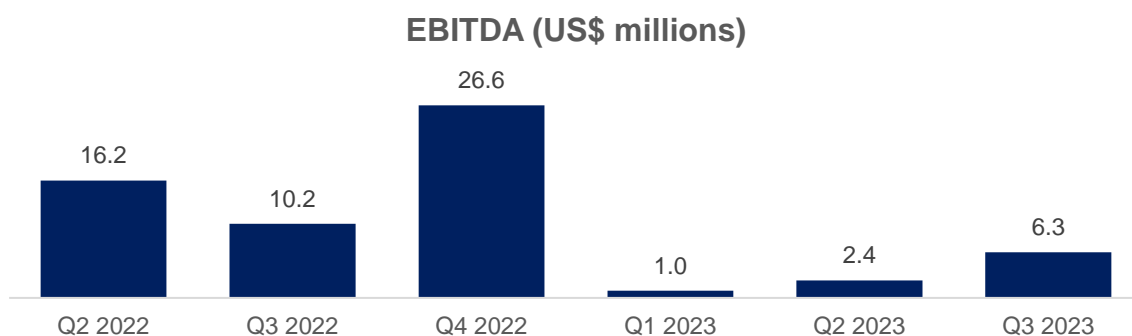


The Group registered an overall increase in revenue in Q3 2023 to US\$757.9 million, driven by the higher volumes.

### Gross profit margins



The Group reported improvement in gross profit in Q3 2023, despite the challenges posed by the margin compression effect from high raw material prices and depressed selling prices from previous periods.



The Group's EBITDA of US\$6.3 million in Q3 2023 moved in tandem with our gross profit, further improved by the positive outcome of our cost-controlling measures.

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### **About Halcyon Agri**

Halcyon Agri is a leading supply chain franchise of natural rubber with global presence. Headquartered in Singapore and listed on the Mainboard of Singapore Exchange (SGX: 5VJ), the Group owns and operates significant assets along the natural rubber value chain, and distributes a range of natural rubber grades, latex and specialised rubber for the tyre and non-tyre industries. It has 37 processing factories in most major rubber producing origins with production capacity of 1.4 million mT per annum, and is one of the largest owners of commercially operated rubber plantation globally.

Halcyon Agri comprises two major business units:

- **Halcyon Rubber Company (HRC)** is the pre-eminent supplier of natural rubber to the global tyre fraternity. HRC Group owns and operates 35 factories with wide-ranging approvals from the tyre majors. The factories, compliant to stringent manufacturing standards, are located across the key rubber origins, including Indonesia, Malaysia, China, Thailand and Ivory Coast.
- **Corrie MacColl (CMC)** is a leading provider of specialist polymers for industrial and non-tyre applications. It comprises of two units: **CMC Plantations (CMCP)**, which owns one of the largest commercially owned and operated plantations globally and **CMC International (CMCI)**, a commercial and distribution platform with global third-party procurement capability, which supports the customers' requirements by providing full suite of logistic and technical services.

With a multinational workforce of more than 15,000 employees in over 100 locations globally, Halcyon Agri embraces sustainability as its core business tenet, and has stringent standards in place to ensure its products are sustainably sourced and responsibly produced.

Please visit us at [www.halcyonagri.com](http://www.halcyonagri.com)

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### **Contacts**

#### **Investor relations**

Tel: +65 6460 0843

Email: [brendan@halcyonagri.com](mailto:brendan@halcyonagri.com)

[investor@halcyonagri.com](mailto:investor@halcyonagri.com)