



INVESTING IN OUR ASSETS

APRIL 2015



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Investing in our assets



PRODUCE

Our production facilities

Indonesia

Factory	Location	Code	Licensed Capacity
PT Hevea MK I	Palembang, South Sumatra	SDR	55,000
PT Hevea MK II	Palembang, South Sumatra	SEA	55,000
PT Hok Tong I Palembang	Palembang, South Sumatra	SCX	65,000
PT Hok Tong II Palembang	Palembang, South Sumatra	SGO	100,000
PT Remco Palembang	Palembang, South Sumatra	SDQ	50,000
PT Sunan Rubber Palembang	Palembang, South Sumatra	SCY	60,000
PT Hevea GE	Jambi, Central Sumatra	SGB	50,000
PT Remco Jambi	Jambi, Central Sumatra	SBG	36,000
PT Hok Tong Jambi	Jambi, Central Sumatra	SCL	25,000
PT Hok Tong Pontianak	Pontianak, West Kalimantan	KAZ	28,000
PT Rubber Hock Lie Sunggal	Medan, North Sumatra	SDH	19,000
PT Rubber Hock Lie Rantau Prapat	Rantau Prapat, North Sumatra	SCM	25,000
Total			568,000

Malaysia

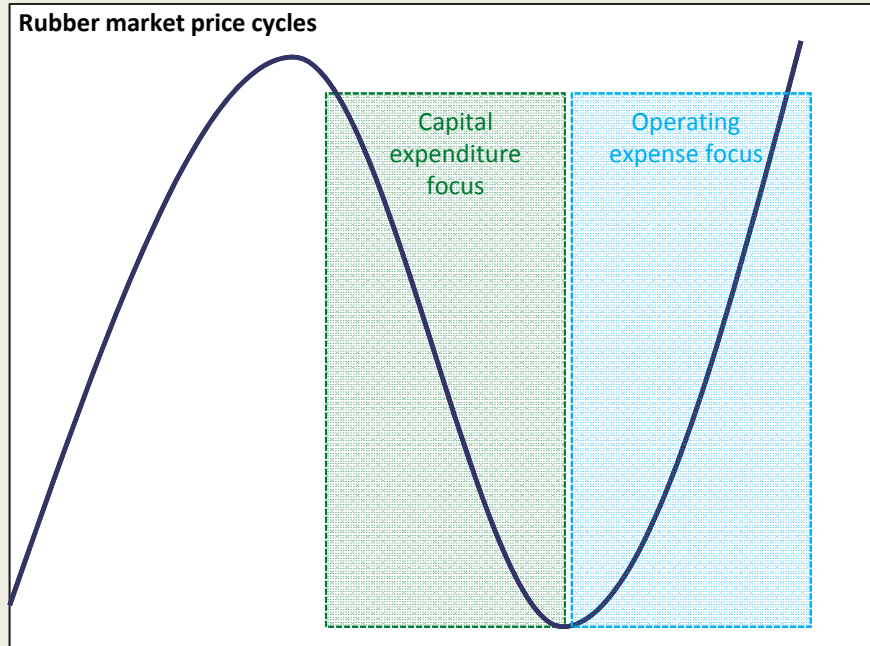
Factory	Location	Code	Capacity
Hevea KB I	Ipoh, Perak	HL	90,000
Hevea KB II	Ipoh, Perak	HL	90,000
Total			180,000

Halcyon Agri is focused on optimising the investment in our physical assets through consistent maintenance and investment in upgrading and expanding our facilities

Total capital expenditure of US\$30.8m has been invested in our factories from 2011-2014

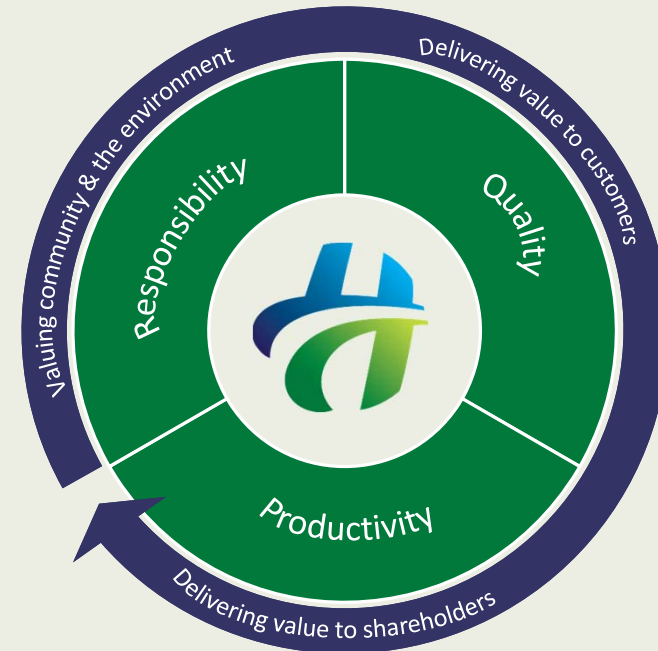
Approach to capital expenditure

Invest in down-cycle for maximum productivity in up-cycle



- Market down-cycles provide the opportunity to undertake investments to position the business for the next up-cycle
- In the up-cycle, the focus is on maximum productivity, with highest volumes and lowest operating costs per tonne

Emphasis on productivity, quality & responsibility



- **Productivity investment examples:** new equipment/ machinery, factory buildings, hanging sheds
- **Quality investment examples:** laboratories / technology
- **Responsibility investment examples:** worker housing, water treatment

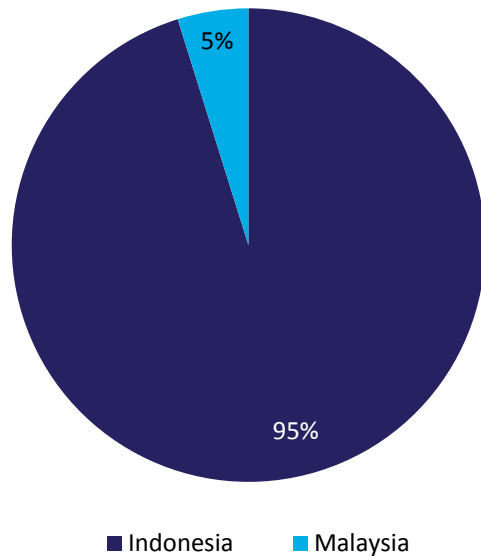
Capital expenditure breakdown (2011 to 2014)

Total capital expenditure of US\$30.8m from 2011-2014

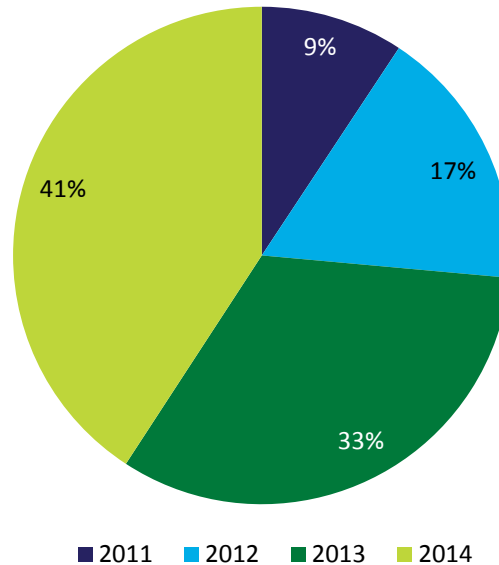
Total responsibility related capital expenditure in excess of US\$8m

Water treatment facilities at 9 factories expanded/upgraded for a total cost in excess of US\$4m

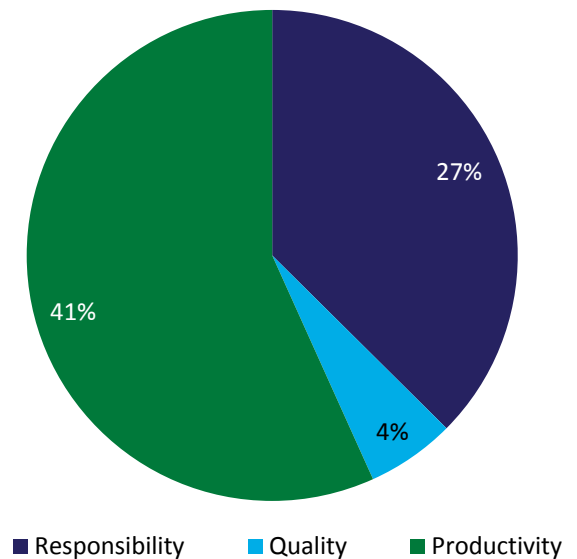
Breakdown by geography



Breakdown by year



Breakdown by type



FACTORY INVESTMENT DETAILS



Investments in PT Hevea MK I

New wet process line



New factory equipment



Raw material storage



Waste water treatment plant



Hanging shed extension



Investments in PT Hevea MK II

Staff housing



Raw material warehouse



New workshop



Waste water treatment plant



New hanging shed



Investments in PT Hok Tong I Palembang

Before



Waste water treatment plant

After



Before



Chain dryer

After



 **PT HOK TONG**
SCX - PALEMBANG
Halcyon Agri Corporation

Investments in PT Hok Tong II Palembang

Hanging shed A



Hanging shed B



Workshop



Equipment



Investments in PT Remco Palembang

Breakwater



Hanging shed



Waste water treatment plant



Investments in PT Sunan Rubber Palembang

Waste water treatment plant



Additional land



Equipment



Investments in PT Remco Jambi

Before



Waste water treatment plant

After



Equipment



Investments in PT Hok Tong Jambi

Waste water treatment plant



Factory office building



Equipment



Investments in PT Hok Tong Pontianak

Before



Dryer-heater building



After



Investments in PT Hock Lie Medan

Waste water treatment plant



Waste water treatment plant



Investments in Hevea KB I & II

SMR line renovation



New compound lines



Engineering workshop



SMR laboratory





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