

HALCYON AGRI CORPORATION LIMITED

Company Registration No. 200504595D
(Incorporated in the Republic of Singapore)

PROPOSED ACQUISITION OF THE NATURAL RUBBER PROCESSING FACILITIES AND TRADING BUSINESS FROM SINOCHEM INTERNATIONAL (OVERSEAS) PTE. LTD. (THE “NR ASSETS ACQUISITION”)

Where capitalised terms are used in this announcement and not otherwise defined, such capitalised terms shall bear the same meanings as ascribed to them in the Company’s announcement dated 28 March 2016, 25 April 2016, 26 April 2016, 2 June 2016 and 9 July 2016 (the “**Announcements**”), and the circular to shareholders dated 16 May 2016 (the “**Circular**”) relating to, *inter alia*, the NR Assets Acquisition.

The Board of Directors (the “**Board**”) of Halcyon Agri Corporation Limited (the “**Company**” or “**HAC**”) refers to the Announcements and Circular, and wishes to inform the HAC Shareholders that:

1. As at date hereof, all conditions precedent to completion taking place under the Share Sale Agreement as set out in section 2.5.2 of the Circular have been fulfilled.
2. Sinochem International Natural Rubber Investment (Overseas) Pte. Ltd. (“**SINRIO**”), a Singapore private limited company was incorporated on 17 May 2016 for the purpose of holding the NR Assets. SINRIO is presently the holding company of the following NR Assets:
 - (a) 97.50% of the issued and paid-up share capital of Euroma Rubber Industries Sendirian Berhad, a company incorporated in Malaysia which operates a natural rubber processing plant in Kedah, Malaysia, with an annual processing capacity of 40,000 tonnes;
 - (b) 97.37% of the issued and paid-up share capital of Hainan Sinochem Rubber Co., Ltd. (海南中化橡胶有限公司), a company incorporated in the People’s Republic of China (“**PRC**”) which operates three (3) natural rubber processing plants in Hainan province, with an aggregate annual production capacity of 105,000 tonnes. Hainan Sinochem Rubber Co., Ltd. owns shares in the following companies which were incorporated in the PRC:
 - (i) 96.67% of the of the issued and paid-up share capital of Xishuangbanna Sinochem Rubber Co., Ltd. (西双版纳中化橡胶有限公司) which operates five (5) natural rubber processing plants in Yunnan province, with an aggregate annual processing capacity of 75,000 tonnes;
 - (ii) 100% of the of the issued and paid-up share capital of Baisha Sinochem Rubber Co., Ltd. (白沙中化橡胶有限公司);
 - (iii) 100% of the of the issued and paid-up share capital of Hainan Baoting Rubber Co., Ltd. (海南保亭中化橡胶有限公司); and
 - (iv) 100% of the of the issued and paid-up share capital of Shanghai Hancheng Trading Co., Ltd. (上海瀚承贸易有限公司);
 - (c) the rubber trading business divisions of SIO and certain employees of Sinochem International Corporation that are involved in the business of trading and distribution of natural rubber products.

3. Completion under the Share Sale Agreement, which includes:
 - (a) the transfer of 100% shareholding in SINRIO from Sinochem International (Overseas) Pte. Ltd. ("**SIO**") to the Company; and
 - (b) the Company's allotment and issue of 280,000,000 Consideration Shares for the NR Assets,shall take place on or around 3 October 2016.
4. With reference to the announcement dated 11 August 2016 made by Australia and New Zealand Banking Group Limited, Singapore Branch, acting for and on behalf of SIO (a copy of which is annexed to this announcement as **Appendix A**), SIO has on 29 September 2016, directed the Company to issue 117,136,000 Consideration Shares to SIO and 162,864,000 Consideration Shares (the "**Exchange Shares**") to China-Africa Development Fund's ("**CADF**") investment entity (the "**Investor**"), whereby the Company's obligation as to the Share Sale Completion will be deemed satisfied on issuance of such Consideration Shares.
5. Pursuant to the moratorium requirements set out in Rule 1015 read with Rules 227, 228 and 229 of the Listing Manual, the Investor together with its holding company, CADF, have undertaken that they will not sell, transfer or otherwise dispose any of their direct or effective interest in any of the Exchange Shares, for a period of six (6) months commencing from the date of completion of the GMG VGO or the Share Sale Completion, whichever is the later.
6. The Company shall make necessary arrangements for the Share Sale Completion and will make further announcement(s) as and when the Share Sale Completion takes place.

Please also refer to the Announcements and the Circular for more details on *inter alia*, the NR Assets Acquisition. Copies of the Announcements and the Circular are available at www.sgx.com.

By Order of the Board of Directors

Pascal Demierre
Executive Director
29 September 2016

MANDATORY CONDITIONAL CASH OFFER

by

**AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED,
SINGAPORE BRANCH**



(Australian Company No.:005357522)
(Incorporated in Australia)

for and on behalf of

SINOCHEM INTERNATIONAL (OVERSEAS) PTE. LTD.

(Company Registration No.: 200305994Z)
(Incorporated in the Republic of Singapore)

a direct wholly-owned subsidiary of

SINOCHEM INTERNATIONAL CORPORATION

(Company Registration No.: 913100007109235395)
(Incorporated in the People's Republic of China)

to acquire all the issued and paid-up ordinary shares in the capital of

HALCYON AGRI CORPORATION LIMITED

(Company Registration No.: 200504595D)
(Incorporated in the Republic of Singapore)

other than those already owned, controlled or agreed to be acquired by Sinochem International (Overseas) Pte. Ltd. and parties acting in concert with it

1. INTRODUCTION

Reference is made to the Offer Document dated 25 July 2016. Capitalised terms used herein, unless otherwise defined, shall have the meanings ascribed in the Offer Document.

2. PARTICIPATION BY CHINA-AFRICA DEVELOPMENT FUND

Sinochem and the Offeror have today entered into a conditional exchangeable bonds subscription agreement with China-Africa Development Fund and its investment entity ("**Investor**"), whereby the Investor will, subject to receipt of all regulatory approvals, conditions, clearances, filings and/or rulings being obtained and complied with, subscribe for exchangeable bonds in the Offeror in respect of an aggregate amount of US\$90,000,000 ("**Exchangeable Bonds**").

Upon closing of the GMG VGO or completion of the NR Assets Acquisition, whichever is later (or such other date as may be agreed between the parties), the Offeror will transfer Shares amounting to US\$90,000,000 to the Investor at the exchange price of S\$0.75 per Share (which is equivalent to the Offer Price) by directing the Company to issue such Shares (comprising part of the consideration to be received by the Offeror in connection

with the GMG VGO and NR Assets Acquisition) to the Investor ("**Bonds Exchange Completion**"). Upon Bonds Exchange Completion, the Exchangeable Bonds will cease to exist.

The parties have also entered into a conditional shareholders' agreement ("**Shareholders' Agreement**") to regulate their rights and obligations as shareholders of the Company on the Bonds Exchange Completion, and are considered to be acting in concert with the Offeror in relation to the Company.

For illustration purpose, assuming:

- (a) an exchange rate of US\$1:S\$1.35, on the Bonds Exchange Completion;
- (b) the Offeror holds 53.98% of all issued Shares on close of the Offer; and
- (c) an acceptance level of between 51.12% ("**Minimum VGO Acceptance Scenario**") and 100% ("**Maximum VGO Acceptance Scenario**") of all issued GMG shares in the GMG VGO by GMG shareholders (which in the former case would mean that no GMG shareholder other than the Offeror accepts the GMG VGO by the Company, and in the latter case would mean that all GMG shareholders accept the GMG VGO by the Company).

the Investor will hold 162,000,000 Shares (comprising approximately 13.01% and 10.16% of the entire issued and paid-up share capital of the Company on Bonds Exchange Completion under the Minimum VGO Acceptance Scenario and Maximum VGO Acceptance Scenario, respectively), and the Offeror will hold 807,413,544 Shares (comprising approximately 64.82% and 50.62% of the entire issued and paid-up share capital of the Company on Bonds Exchange Completion under the Minimum VGO Acceptance Scenario and Maximum VGO Acceptance Scenario, respectively).

As such, on Bonds Exchange Completion, the Offeror Concert Group (including the Investor) will hold 969,413,544 Shares (comprising approximately 77.83% and 60.78% of the entire issued and paid-up share capital of the Company on Bonds Exchange Completion under the Minimum VGO Acceptance Scenario and Maximum VGO Acceptance Scenario, respectively).

As at the date of this announcement, save for the Exchangeable Bonds, neither China-Africa Development Fund, the Investor nor any of their directors hold, directly or indirectly, any Company Securities nor have previously dealt for value in any Company Securities.

Introduction to China-Africa Development Fund

China-Africa Development Fund is a PRC governmental initiative, which aims to encourage and support Chinese enterprises to invest in Africa, to create positive economic and social outcomes in Africa, consolidate the foundation for development of economies of African countries, as well as strengthen Africa's capacity to develop on its own and enhance its competitiveness in the global economic landscape. Operated by the China Development Bank (being the world's largest development finance institution, and the largest Chinese bank for foreign investment and financing cooperation, long-term lending and bond issuance), China-Africa Development Fund will reach a designated total capital of US\$10 billion, and has to-date deployed its investments in African related industries ranging from, amongst others, agriculture, infrastructure, manufacturing, industrial parks to resource development.

3. RESPONSIBILITY STATEMENT

The directors of the Offeror (including any who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or publicly available sources (including, without limitation, in relation to the Group), the sole responsibility of the directors of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this announcement.

Issued by

Australia and New Zealand Banking Group Limited, Singapore Branch

For and on behalf of

Sinochem International (Overseas) Pte. Ltd.

11 August 2016

Any enquiries relating to this announcement or the Offer should be directed to the following:

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