

HALCYON AGRI CORPORATION LIMITED

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

ADDITIONAL INFORMATION RELATING TO THE PROPOSED ACQUISITION OF ANSON COMPANY (PRIVATE) LIMITED

The Board of Directors (the “**Board**”) of Halcyon Agri Corporation Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) refers to its announcements dated 19 June 2014 and 20 June 2014 in relation to the proposed acquisition of Anson Company (Private) Limited and its Indonesian subsidiaries PT Hok Tong, PT Hadji Djamaloedin and Hadji Shamsuedin Rubber Remilling (Remco), PT Sunan Rubber and PT Rubber Hock Lie (together “**Anson Group**”) for an aggregate purchase consideration of S\$450,000,000 (the “**Proposed Acquisition**”).

The Board wishes to provide more information on the rationale as well as the intended capital structure (the “**Intended Capital Structure**”) for the Proposed Acquisition.

1. **Rationale.** Among the nine (9) factories that the Anson Group owns and operates in Indonesia, four (4) are located in Palembang with an aggregate licensed export capacity of 275,000 metric tonnes per annum. In combination with the Group’s existing two (2) HMK factories in Palembang with a total licensed export capacity of 110,000 metric tonnes, the Proposed Acquisition propels the Group to be the largest crumb rubber producer and exporter in Palembang, which is Indonesia’s largest export port for natural rubber. In total, the six (6) Palembang crumb rubber processing factories will have a combined annual export capacity of 385,000 metric tonnes, which translates into a market share of approximately 40% of all crumb rubber produced and exported from Palembang.

Once completed, the Proposed Acquisition will transform the Group to become Indonesia’s second largest producer and exporter of natural rubber.

2. **Intended Capital Structure.** The Company intends to finance the Proposed Acquisition, as well as ensuing working capital requirements, from internal resources together with:
 - (a) US\$320,000,000 credit facilities for which the Company has secured bilateral financing commitments from Credit Suisse AG, Singapore Branch and DBS Bank Ltd and/or the proceeds from the issuance of notes and senior or subordinated perpetual securities under the Multicurrency Medium Term Note Programme established by the Company on 25 April 2014; and
 - (b) a capital contribution of up to S\$90 million from Angsana Capital Ltd. (“**Angsana**”) which has committed to subscribe for preference shares in Halcyon Rubber Company Pte. Ltd., the wholly owned subsidiary of the Company which will undertake the Proposed Acquisition. Angsana is a company beneficially owned by Mr Robert Meyer, the Executive Chairman and Chief Executive Officer of the Company. As the aforementioned capital contribution constitutes an interested person transaction, the Company will seek shareholders’ approval in an extraordinary general meeting to be convened.

There is presently no intention for the Company to undertake a rights issue or placement of new shares in the Company to finance the Proposed Acquisition.

The Board wishes to highlight that all terms and conditions of the Intended Capital Structure remain subject to negotiation which is ongoing, and to the execution of definitive agreements. The Board will, in compliance with its obligations under the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, make further announcements of any material developments or when any definitive agreement has been entered into.

Shareholders of the Company and potential investors should exercise caution when trading in the shares of the Company, and where in doubt as to the action they should take, they should consult their financial, tax or other advisors.

By Order of the Board

Robert Meyer
Executive Chairman and CEO
20 June 2014

The Company was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 1 February 2013. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor").

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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