

FOR IMMEDIATE RELEASE

Halcyon Agri Welcomes New Investors Onboard HeveaConnect

- HeveaConnect raised new monies of US\$5.5 million from Provident, DeClout Ventures and management
- Secondary share sale by Halcyon Agri to Provident for cash consideration of US\$1.6 million
- Latest fundraising round values HC at US\$19.4 million pre-money

SINGAPORE, 25 July 2022 – Halcyon Agri Corporation Limited (“**Halcyon Agri**”, the “**Company**” and together with its subsidiaries, the “**Group**”), today announced that its 49.9%-owned associate, HeveaConnect Pte. Ltd. (“**HC**”) has completed its fourth fundraising, led by Provident Capital Partners (“**Provident**”), DeClout Ventures Pte. Ltd. (“**DeClout Ventures**”) and HeveaConnect management (collectively “**New Investors**”).

Halcyon Agri founded HC in 2018 to develop HeveaConnect platform, a digital marketplace for physical natural rubber, in line with the Group’s growth strategy towards digitalisation and sustainable natural rubber production. HC’s seed investors included DBS, Itochu, and also SGX Group who joined in March 2021.

Since HC’s establishment, more than 600,000 metric tonnes (“**mT**”) of physical natural rubber have been traded through the HeveaConnect platform, with its customers counting from the world’s top tyre makers, leading natural rubber producers and natural rubber traders.

ESG and Technology – Critical Success Factors for Natural Rubber Industry

In this round of fundraising, HC will receive proceeds of US\$5.5 million via issuance of new shares to Provident, DeClout Ventures and HC management. Concurrently, Halcyon Agri will reduce its stake to 32.4% following the fundraising by HC and share sale by Halcyon Agri to Provident for a cash consideration of US\$1.6 million. This round of fundraising values HC at pre-money valuation of US\$19.4 million, a 17.5% increase from US\$16.5 million since SGX Group’s investment in 2021.

Mr Ng Eng Kiat, Managing Director of Halcyon Agri’s global tyre major platform said, “*We have incubated HC as a corporate venture together with our other founding shareholders and supported it through its infancy stage. The initial phase was challenging for HC as it faced resistance to change. However, since the pandemic, there has been an increase in technology adoption and HC’s sustainability suite of tools have gained traction with key customers within the industry. We are happy to see the traction that the HeveaConnect platform has gained as it has always been our vision to leverage digital technology efficiencies by creating an industry platform to improve our trading process of physical natural rubber. HeveaConnect is now poised to excel in its next phase of growth.*”

“We welcome Provident and DeClout Ventures into HC as shareholders. Both Provident and DeClout Ventures have extensive experience in technology investments, innovation and strong commitment to ESG. We strongly believe that ESG and technology are key success factors to future-proof a business. We look forward to greater engagement and higher adoption rate on HeveaConnect platform from our fellow natural rubber industry players.”

Expanding Platform's Service Offerings

The proceeds from the fundraising will be used for working capital purposes, technology developments and other business development activities. This allows HeveaConnect to expand its service offerings and enhance the resilience of the platform's technology.

Mr Ray Ferguson, HC's Chairman commented, *"This successful fundraising round is a testament to market's confidence on HC's direction and strong execution capabilities. With the inclusion of Provident and DeClout, we have diversified our shareholding structure to include venture capitalists that can contribute strategically to HC's future growth. I strongly believe in the near future, HC will be the preferred platform for merchandising sustainable natural rubber, and this successful model may be replicated to other agri-commodities facing similar issues as natural rubber."*

"I would like to take this opportunity to thank all stakeholders involved since the beginning of HeveaConnect's growth journey, and I look forward to our continued success."

About Provident and DeClout Ventures

Provident is a private equity firm with investments across various industries, including telecommunications infrastructure, mining, real estate and biofuels. It has decades of experience and a strong reputation for building value, attracting blue-chip international institutional investors and high-quality banks. Provident's investee companies have outstanding reputations with commitment to high quality management, corporate governance and high ESG standards.

DeClout Ventures is the corporate venture arm of DeClout, a builder of next-generation ICT companies that invests in, incubates and scales companies to become global or regional market leaders. DeClout's portfolio companies currently comprise of: GUUD – a fast-growing trade technology firm; Aeqon – an ICT solutions provider; ARCO and Procurri – both green technology service providers; dhost – a neutral hosting solutions provider; and Ascent Solutions – an Internet-of-Things solutions provider. DeClout is a subsidiary of Tokyo Stock Exchange-listed Exeo Group, Inc.

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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 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 1.6 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 36 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.

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