

HALCYON AGRI CORPORATION LIMITED

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

ISSUANCE OF SHARES BY HEVEACONNECT PTE. LTD. – INVESTMENT FROM SINGAPORE EXCHANGE

The Board of Directors (the “**Board**”) of Halcyon Agri Corporation Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) wishes to inform the shareholders that:

1. A share subscription agreement in relation to the placement of new ordinary shares in HeveaConnect Pte. Ltd. (“**HeveaConnect**”) (the “**HC Shares**”) to Asian Gateway Investments Pte. Ltd. (“**AGI**”) (an investment holding company and a 100% subsidiary of Singapore Exchange Limited (“**SGX**”)) has been entered into between HeveaConnect and AGI on 18 February 2021 (the “**SSA**”).
2. Pursuant to the terms under the SSA and upon the completion of the SSA on 3 March 2021:
 - (a) the Company has transferred 56,962 HC Shares (representing 14.73% of the issued and paid-up ordinary shares) (the “**Trust Shares**”) into a trust managed and administered by an independent trustee. The Trust Shares are intended to be distributed to the members of Global Platform for Sustainable Natural Rubber and/or not-for-profit organisations directly or indirectly related to the natural rubber supply chain which demonstrate a commitment to sustainability within the industry and national rubber trade associations and governing bodies; and
 - (b) AGI has subscribed for 35,162 HC Shares (representing 9.09% of the issued and paid-up ordinary shares) for US\$1,500,000. The share subscription price of US\$1,500,000 was arrived at on a willing-buyer willing-seller basis, taking into account SGX’s commitment to contribute its expertise in further developing HeveaConnect’s digital platform for efficient and transparent price formation in the physical rubber trades.
3. Following the disposal of the Trust Shares and issuance of new HC Shares to AGI, the Company’s total equity interest in HeveaConnect has changed from 71.10% to 49.91%. Accordingly, HeveaConnect ceased to be a Company’s subsidiary and became an associated company. The balance of equity interest in HeveaConnect is held by ITOCHU Corporation (“**ITOCHU**”) (17.27%), trustee for the Trust Shares (14.73%), AGI (9.09%) and DBS Bank Ltd. (“**DBS**”) (9.00%).
4. In connection with SGX’s investment in HeveaConnect, both DBS¹ and ITOCHU² have undertaken not to exercise their options to subscribe for additional HC Shares which were provided under their respective share subscription agreements entered into with HeveaConnect.
5. None of the Directors and to the best of the Directors’ knowledge, none of the controlling shareholder of the Company or their respective associates has any interest, direct or indirect, in the foregoing transaction, other than that arising from their respective shareholdings and/or directorships, as the case may be, in the Company.

¹ <https://links.sgx.com/1.0.0/corporate-announcements/D035K8XMM3KWLBLX/92e7919b0c22e2face8f55022347f2755a2c6fe3255b5f895249db7fc2e40ef1>

² <https://links.sgx.com/1.0.0/corporate-announcements/N759C44O2MRJKL30/9173025ecd3632997f259a056f1ddc69e5c2ec136c0ab1ccb633ba4d060d029d>

6. 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

Liew Guat Yi
Company Secretary
3 March 2021