

**NEWS RELEASE****HALCYON AGRI REPORTS H1 2014 NET PROFIT OF US\$0.9M ON REVENUES OF US\$78.0M**

- *Sales volume higher in H1 2014 at 38,497 tonnes compared with 36,459 tonnes in H1 2013*
- *Gross Material Profit per tonne 19% higher in Q2 2014 compared with Q1 2014*
- *Anson acquisition completed*
- *Contracted volume for 2014 at 86,943 tonnes, excluding Anson production*

**Singapore, 14 August 2014** – Natural rubber producer Halcyon Agri Corporation Limited today announced net profit of US\$0.9 million for H1 2014 on 5.6% higher volumes than H1 2013. Q2 2014 results improved over Q1 2014, with net profit of US\$0.6 million compared with US\$0.3 million, aided by a 19% recovery in Gross Material Profit (“GMP”) per tonne.

Revenues and margins for the first half and second quarter of 2014 were lower than the previous corresponding periods, reflecting ongoing weakness in the market price for natural rubber. Halcyon Agri’s Executive Chairman and CEO Robert Meyer commented: “market conditions have continued to be challenging. Despite the strong and growing demand for vehicle tyres and therefore natural rubber, we are seeing ongoing near term weakness in the market price of natural rubber, which is trading near 5 year lows.” Despite the challenging market conditions, Halcyon Agri remained profitable, testament to its business model and risk management approach.

Following the completion of three acquisitions in the first quarter, Halcyon Agri announced in June 2014 the transformational acquisition of Anson Company (Private) Limited (“Anson”), the Indonesian operations of the Lee Rubber Group. The acquisition brings 9 factories with licensed capacity of 408,000 tonnes and propels Halcyon Agri to be one of the top 5 Technically Specified Rubber (“TSR”) producers

in the world. The transaction was unanimously approved by Halcyon Agri's shareholders present at an EGM on 4 August 2014 and completed on 12 August 2014.

Mr Robert Meyer remarked "with the acquisition of Anson, Halcyon Agri takes its place amongst the largest natural rubber producers in the world, achieving one of our key goals. While we are facing some strong market headwinds currently, we remain very optimistic about the future and are focused on reaping the rewards of our investments in expanding our capacity." Following the completion of the Anson acquisition, Halcyon Agri has total licensed capacity of 748,000 tonnes, a seven-fold increase from its capacity at the time of the Company's IPO in January 2013.

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Note: This press release is to be read in conjunction with the related mandatory announcement filed by Halcyon Agri Corporation Limited on SGXNET.

### **About Halcyon Agri**

Halcyon Agri Corporation Limited and its subsidiaries (the "**Group**" or "**Halcyon Agri**") specialise in the processing and merchandising of natural rubber. The Group is headquartered in Singapore, where its risk management and merchandising operations are located. One of the largest producers of Standard Indonesian Rubber ("SIR"), Halcyon Agri's six subsidiaries in Indonesia own and operate a total of 12 crumb rubber factories with a combined licenced export capacity of 568,000 tonnes per annum. In Malaysia, the Group owns and operates two Standard Malaysian Rubber ("SMR") factories in Perak with a combined annual capacity of 180,000 tonnes, as well as approximately 10,000 hectares of Sultanate land which is slated to become one of the largest natural rubber plantations in Kelantan. Halcyon Agri exports its production to a global customer base which includes the leading international tyre manufacturers.

*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**").*

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