

HALCYON AGRI CORPORATION LIMITED

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

CLARIFICATION TO UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2018 (“Q1 2018 RESULTS”)

The Board of Directors (the “**Board**”) of Halcyon Agri Corporation Limited (the “**Company**”) refers to the query from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) relating to the Company’s Q1 2018 Results published on 7 May 2018, and would like to respond to the query as follows:

Question 1 : With reference to page 1 of the financial results, it is noted that selling expenses increased by approximately US\$0.8 million or 13.1% in Q1 2018 as compared to Q1 2017. Please explain the reason(s) for the increase.

Company’s response : The increase in selling expenses is in line with the increase in sales volume from 261,877 tonnes to 276,562 tonnes.

Question 2 : With reference to page 1 of the financial results, it is noted that finance income increased by approximately US\$1.1 million or 668.4% in Q1 2018 as compared to Q1 2017. Please explain the reason(s) for the increase.

Company’s response : The increase in finance income is due to interest income from a loan of US\$51 million to a third party with interest at 5.5% per annum. Information of the loan has been disclosed under Note 19 of Company’s audited financial statements, as set out in page 124 of its annual report for the financial year ended 31 December 2017.

By Order of the Board

Pascal Demierre
Executive Director
15 May 2018