



H1 2024 Results Presentation

13 August 2024

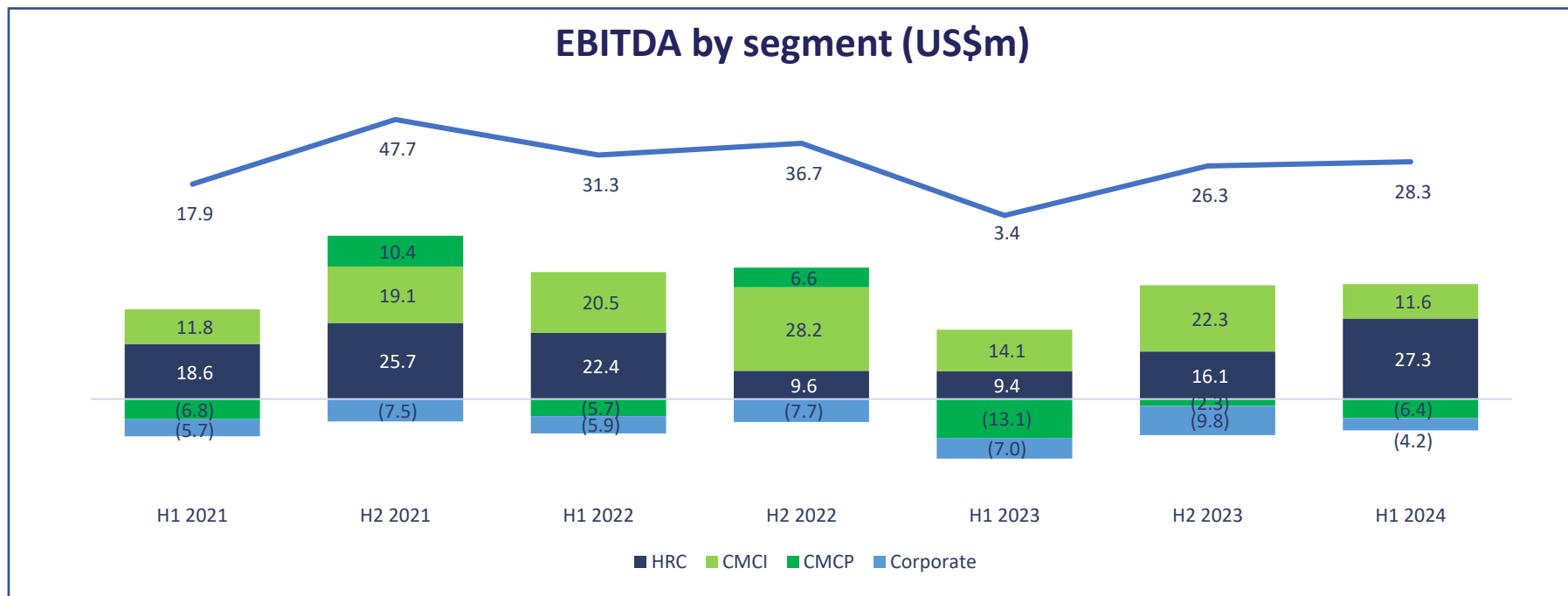
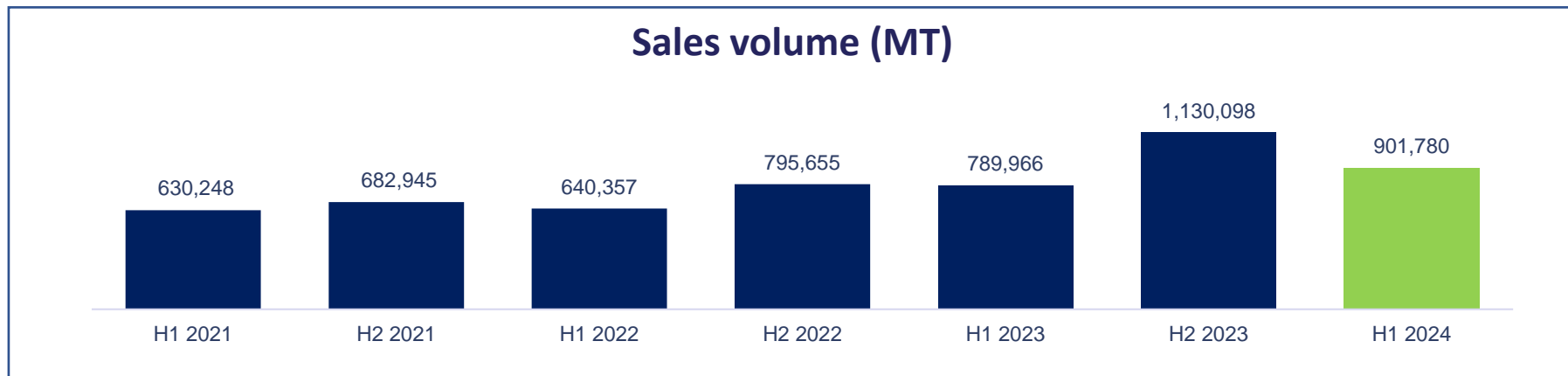
H1 2024 results review

	For the half year ended 30 June			Factors
	H1 2024	H1 2023	%	
Sales volume (mT)	901,780	789,966 ▲	14.2%	<ul style="list-style-type: none"> Volume growth sustained by ongoing benefits from the integration with Hainan Rubber Group, further boosted by a recovering demand globally.
Average selling price (US\$/mT)	1,691	1,535 ▲	10.2%	<ul style="list-style-type: none"> In line with the movement of natural rubber price during periods.
Gross profit (GP)	73.5	60.9 ▲	20.7%	<ul style="list-style-type: none"> Increase in line with the improvements in raw material margin, as well as higher premiums from traceable natural rubber sold during H1 2024.
- <i>GP per mT (US\$/mT)</i>	82	77 ▲	6.5%	
Operating profit / (loss)	12.0	(24.5) ▲	149.0%	<ul style="list-style-type: none"> Consistent with gross profit trends, further aided by the absence of one-off costs (which affected H1 2023 figures) in H1 2024.
Operating profit (excluding one-off items)*	12.0	4.4 ▲	172.7%	<ul style="list-style-type: none"> Furthermore, cost reduction initiatives particularly in the processing business has also contributed to the improvement.
EBITDA	28.3	3.4 ▲	732.4%	<ul style="list-style-type: none"> In line with gross profit movement and successful cost-reduction initiatives.
Loss before taxation	(24.1)	(53.5) ▲	55.0%	<ul style="list-style-type: none"> Loss before tax narrowed in H1 2024 in line with the increase in operating profit. However, despite the better operating results, elevated financing costs have continued to result in a loss before tax.

Note: In US\$ million unless otherwise stated

* In H1 2023, there are one-off costs which amounted to US\$28.9 million, which no longer incurred in H1 2024.

Overview of Group's performance



Balance sheet overview

US\$ in millions	30-Jun-24	31-Dec-23
<u>Assets partially funded by debt</u>		
Total net working capital employed	609.0	590.6
<i>Net working capital assets</i>	544.9	495.2
<i>Cash and cash equivalents</i>	62.5	48.3
<i>Loans receivable</i>	1.6	47.1
Working capital loans	442.3	615.0
% Efficiency in working capital funding	72.6%	104.1%
Shareholders' loans	594.0	376.0
Operational long term assets	1,031.9	1,043.8
Non-core assets	38.7	41.2
Other borrowings	125.8	118.9
% Fixed asset gearing	11.7%	11.0%
Total equity (excludes Perpetual Securities)	324.9	373.1
Perpetual Securities	192.6	192.6
Total equity	517.5	565.7
<i>Net asset value per share (US cents)</i>	32.5	35.5
<i>Net asset value per share (SG cents)</i>	43.9	46.8
Working capital Days		
<i>Accounts receivable days</i>	16	17
<i>Accounts payable days</i>	6	6
<i>Inventory days</i>	60	54
<i>Cash conversion days</i>	70	65

Note 1: Please refer to the announcement for the definition of the captions in the tables displayed above.

Note 2: Translated at the closing exchange rates for each respective period.

The Group has tapped into shareholders' loans which has lower costs in H1 2024 to replace maturing bank loans to counter the impact of high interest rates.

Cash flow

US\$m	Half year ended 30 June	
	2024	2023
Operating cash flows before working capital changes	22.7	(2.5)
Changes in working capital	(66.2)	31.2
Interest received	1.3	0.9
Tax payment	(6.5)	(13.1)
Net cash flow from operating activities	(48.7)	16.5
Net cash flow from investing activities	32.8	16.9
Net cash flow from financing activities	31.5	(40.9)
Net changes in cash and cash equivalents	15.6	(7.5)

- Net cash used in operating activities of US\$48.7 million is mainly attributable to the higher average inventory costs, in line with the rubber price trends.
- Net cash generated from investing activities of US\$32.8 million, primarily from the repayment of a third party loan receivable.
- Net cash used in financing activities was US\$31.5 million, mainly due to loans drawn down to support higher working capital requirements.



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