

Singapore-based Sinochem, Halcyon Agri to merge into \$2.3 bil company

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Singapore-based Sinochem International and Halcyon Agri Corp. have agreed to merge and form the world's largest natural rubber supply chain manager, Halcyon Agri said Monday, with combined revenues of more than \$2.3 billion.

"By supply chain manager, we mean our role is to supply the rubber our customers need, whenever and wherever they need it. Simply put, the key stages of the supply chain for natural rubber are: upstream (the rubber trees), midstream (processing) and downstream (distribution)," a Halcyon Agri spokesman said.

"The combined business would have 35 processing facilities spanning Indonesia, Thailand, Malaysia, China and Africa with a total annual processing capacity of approximately 1.5 million mt," both companies said in a statement.

Sinochem International will buy a 30.07% stake in Halcyon Agri and make a mandatory general offer to all its issued and paid-up ordinary shares at S\$ 0.75 (\$51)/share.

Sinochem International is a wholly owned subsidiary of Shanghai-listed Sinochem International Corp.

Also, Halcyon will make an offer for Singapore-based natural rubber producer GMG Global, of which Sinochem International owns 51%, at 0.9333 Halcyon share for each GMG Global share.

Halcyon Agri would "acquire Sinochem's natural rubber processing assets in China and Malaysia and trading businesses, for consideration of 280 million Halcyon shares," it said.

All transactions are expected to be concluded by the third quarter of 2016.