



中化国际
SINOCHEM INTERNATIONAL



MEDIA RELEASE

For immediate release

SINOCHEM INTERNATIONAL & HALCYON AGRI JOIN FORCES TO CREATE A GLOBAL NATURAL RUBBER POWERHOUSE

- Sinochem International to become majority shareholder in Halcyon Agri
- Halcyon Agri to acquire Sinochem International's natural rubber business, including its 51% majority stake in SGX-listed GMG Global Ltd, trading business, and China and Malaysia processing factories
- Creates world's leading and most comprehensive natural rubber supply chain manager with combined revenues in excess of US\$2.3 billion
- Transactions expected to close by Q3 2016, subject to certain conditions and approvals

Shanghai/Singapore, 28 March 2016 Sinochem International Corporation ("Sinochem International") and Halcyon Agri Corporation Limited ("Halcyon Agri") today announced that they have signed, together with certain Halcyon Agri shareholders, definitive agreements to bring about a combination of their natural rubber assets to create the world's leading natural rubber supply chain manager. The businesses will be combined under Halcyon Agri, which will continue to be listed on the SGX.

Global natural rubber powerhouse

The transaction would create the world's largest and most comprehensive natural rubber supply chain manager with strong capabilities across each segment of the supply chain. In the upstream segment, the combined business would have 153,000 ha of land in Africa and South East Asia. In the midstream processing segment, 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 tonnes. The global distribution strength of the combined business would be unparalleled, with an extensive distribution network centred around key hubs in China, Asia, Europe and the United States and annual natural rubber and latex sales capability in excess of 2 million tonnes.

Structure and terms

The transactions are designed to deliver an efficient combination of the natural rubber assets of Sinochem International and Halcyon Agri.

Sinochem International will acquire a 30.07% shareholding in Halcyon Agri for S\$0.75 cents per share in cash and make a mandatory general offer (“MGO”) to all shareholders of Halcyon Agri at the same price. Certain shareholders of Halcyon Agri have also provided undertakings such that Sinochem International’s shareholding in Halcyon Agri following completion of the MGO will be no less than 53.98%.

Subsequent to the MGO, Halcyon Agri will make a voluntary general offer (“VGO”) for GMG Global Ltd (“GMG Global”) at an exchange ratio of 0.9333 Halcyon Shares for each GMG Global Share. Sinochem International has undertaken to accept the VGO in respect of its 51.1% shareholding.

Finally, Halcyon Agri will also acquire Sinochem’s natural rubber processing assets in China and Malaysia and trading businesses, for consideration of 280 million Halcyon Shares.

Following completion of the transactions, Sinochem will be the majority shareholder of Halcyon Agri, which will be the holding company of the expanded group.

Approvals

The transactions are subject to, among others, the approval of Halcyon Agri shareholders at an extraordinary general meeting and regulatory and competition approvals in certain jurisdictions. Final completion of the transactions is expected by the end of Q3 2016.

Advisors

Australia and New Zealand Banking Group Limited, Singapore Branch is the financial advisor and Rajah & Tann Singapore LLP is the legal advisor to Sinochem International in relation to the transactions.

Deutsche Bank AG, Singapore Branch is the financial advisor, TSMP Law Corporation is the legal advisor and PrimePartners Corporate Finance is the compliance advisor to Halcyon Agri.

-End-

Note: This press release is to be read in conjunction with the SGXNET announcements released by Sinochem International and Halcyon Agri.

About Sinochem International

Sinochem International is a large state-owned holding company engaging in industrial investment, logistics, trading and distribution in the fields of natural rubber, fine chemicals, agrochemicals, chemical logistics, chemical distribution, and other sub-sectors international chemical business), with customers from over 100 countries and regions worldwide. Sinochem International is listed on the Shanghai Stock Exchange (stock code: 600500).

Sinochem International's natural rubber business division, with over 60 years' operation, is the earliest entity in China to engage in natural rubber trade. Its business, which integrates international and domestic operation, covers natural rubber plantation, production and processing, marketing and value-added service, and other parts of the industrial chain. As the biggest and strongest rubber business service provider in China, and a service provider in natural rubber resources industry with its core competitiveness on international market, Sinochem International has resources in South East Asia, West Africa, and China's provinces of Hainan and Yunnan; its markets and major customers include those in Asia, Europe, Americas and other parts of the world.

Sinochem Group, actual controller of Sinochem International and a key state-owned enterprise supervised by State-owned Assets Supervision and Administration Commission of the State Council (SASAC), has been enrolled in the list of Fortune 500 for 24 times, ranking 107th in 2014. Based on SASAC's performance evaluation, Sinochem Group is rated Grade-A for 10 straight years, and is cited by Fortune Magazine as one of the World's Most Admired Companies of 2013 & 2014, ranking the first in the list of trading companies.

About Halcyon Agri

Halcyon Agri is a natural rubber supply chain manager, supporting the world's growing mobility needs through the origination, production and distribution of natural rubber. The Group owns 14 natural rubber processing facilities in Indonesia and Malaysia and produces sustainable, premium Technically Specified Rubber under its proprietary HEVEAPRO brand. It distributes HEVEAPRO and a range of other natural rubber grades, including latex, to an international customer base through its network of warehouses and sales offices in South East Asia, China, South Africa, the United States and Europe. Halcyon Agri's workforce totals approximately 4,000 people and its aggregate natural rubber distribution capacity is approximately 1 million tonnes per annum.

This media release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this media release, including the correctness of any of the statements or opinions made or reports contained in this media release.

For media and analyst queries, please contact:

Sinochem International

Tel: + 86 21-61048666

Fax: +86 21-50490909

Email: ir@sinochem.com

Website: www.sinochemintl.com

Halcyon Agri

Tel: +65 6734 7220

Fax: +65 6264 3783

Email: investor@halcyonagri.com

Website: www.halcyonagri.com