

《Syngenta OKs ChemChina bid》

China National Chemical Corp, also known as ChemChina, said on Friday that shareholders of Syngenta AG, the Swiss agrochemical and seed producer, have accepted its \$43 billion takeover bid, paving the way for completion of China's biggest international acquisition deal.

based on preliminary numbers, 80.7 percent of shares were tendered in favor of the acquisition, higher than the minimum acceptance rate of 67 percent needed for the deal to go through, ChemChina said in a statement

The first payment settlement is scheduled for May 18.

The Chinese company plans to delist Syngenta's shares in Switzerland and the United States at an appropriate time.

"The completion of this deal will help ChemChina become one of the world's largest suppliers of pesticides and other crop-care chemicals," said Ding Lixin, a researcher at the Chinese Academy of Agricultural Sciences in Beijing.

However, Ding said Dow Chemical Co's merger with DuPont Co and Bayer AG's purchase of Monsanto Co, which occurred in the past two years, would continue to provide intense market competition with ChemChina, as the top six international suppliers including Syngenta and BASF SE, have all been vying for market share and financial resources to push research and development of new products.

Zhang Xiaoping, director for China at the US Soybean Export Council, said China could use Syngenta's deep experience and resources in intellectual property, risk control and environmental management to bring its products to global markets.

"On the other hand, Syngenta will have better access than other global companies to sell its products in our domestic markets," said Xu Hongcai, a researcher at the China Center for International Economic Exchanges.

"China's pesticide industry is riddled with low profitability and only global scale can improve that."

The government pins high hopes on the reform to solve structural issues in the agricultural sector, where some agricultural products are oversupplied while others rely heavily on imports.

China has been encouraging its companies to use both domestic and global resources to ensure the country's grain and food security in its agricultural policy.

Niu Dun, China's permanent representative to the United Nations Food and Agriculture Organization, said earlier

this year that the deal would generate a positive outcome for China to upgrade its abilities in grain and food production, supply chain building and processing.

Syngenta has 28,000 employees in more than 90 countries and regions. Its sales revenue dropped 1 percent year-on-year to \$3.7 billion in the first quarter of 2017.

Beijing-headquartered ChemChina possesses production, research and development, and marketing systems in 150 countries and regions. Materials sciences, life sciences, high-end manufacturing and basic chemicals are its main businesses.

It also acquired nine companies in France, the United Kingdom, Israel, Italy and Germany.

