



Australian Government

Takeovers Panel

MEDIA RELEASE

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Friday, 1 July 2016

Warrnambool Cheese and Butter Factory Company Holdings Limited 02 – Panel Declines to Conduct Proceedings

The Panel has declined to conduct proceedings on an application dated 27 June 2016 from Sandon Capital Investments Limited in relation to the affairs of Warrnambool Cheese and Butter Factory Company Holdings Limited.

The application concerns the entitlement offer announced by Warrnambool on 10 June 2016 (see [TP16/43](#)). Among other things, the applicant submitted:

- the entitlement offer is being inappropriately used as a mechanism to enable Saputo Dairy to proceed to compulsory acquisition of the remaining Warrnambool shares and
- the entitlement offer booklet is deficient as it fails to disclose (a) Saputo Dairy's intentions should it hold 90% or more of Warrnambool after the entitlement offer or (b) sufficient reasons for the size of the entitlement offer, why additional funds are required or the benefits of participating in the offer.

The entitlement offer closed at 5.00pm on 29 June 2016. Following closure of the offer, Warrnambool advised the Panel that there was only approximately 0.3% shortfall and Saputo Dairy's voting power would be less than 90% as a result of taking up its entitlement.

On the material available, and in view of the outcome of the entitlement offer and the timing of the application, the Panel did not consider that the entitlement offer was likely to be found to give rise to unacceptable circumstances.

The Panel therefore concluded there was no reasonable prospect that it would make a declaration of unacceptable circumstances. Accordingly, the Panel declined to conduct proceedings.

The sitting Panel was Peter Day, Richard Hunt (sitting President) and Jeremy Leibler.

The Panel will publish its reasons for the decision in due course on its website www.takeovers.gov.au.

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