

CLM Acquisitions
SE Business
HD **Fosun dips into oil and gas with A\$474 m capture**
BY Toh Han Shih hanshih.toh@scmp.com
WC 462 words
PD 5 August 2014
SN South China Morning Post
SC SCMP
ED 1
PG 3
LA English
CY (c) 2014 South China Morning Post Publishers Limited, Hong Kong. All rights reserved.
LP

Hong Kong-listed investment **firm** enters into a conditional agreement to acquire Australia's Roc **Oil** after ending a merger bid by Horizon

Fosun International entered into a conditional agreement yesterday to fully acquire Roc **Oil**, an Australian-listed **oil** and gas **company**, for A\$474 **million** (HK\$3.42 **billion**).

TD

The **Hong Kong**-listed, Shanghai-based investment **firm** fended off a proposed merger between Roc and Horizon **Oil**, another Australian **company**, Fosun and Roc said.

Fosun agreed to pay 69 Australian cents cash for each Roc share, which is a 10 per cent premium to the stock's close on Friday and implies a market capitalisation of A\$474 **million**.

The offer will remain open for at least one month, requires the approval of the Australian government and is conditional on the end of the merger agreement between Roc and Horizon, Fosun said.

Fosun's "proposal to **purchase** all of Roc's shares for cash is superior when considered against the alternative merger of equals with Horizon and offers a significant premium to share price performance", Roc chairman Mike Harding said.

Fosun's **acquisition** came after Roc announced on July 10 and June 25 that it had two unsolicited, confidential proposals from unnamed parties to fully acquire the Australian **firm**.

In April, Roc announced it had entered into a tentative agreement to **merge** with Horizon, which would create a combined **company** with a market capitalisation of A\$800 **million**.

On June 16, Roc said in a letter to shareholders that its biggest shareholder, Australian fund management **firm** Allan Gray, called an extraordinary general meeting to frustrate Roc's merger with Horizon.

Roc asked its shareholders to vote against Allan Gray's proposal at the meeting on July 11, saying the blocking of the merger was "clearly not in the best interests of the shareholders".

Allay Gray proposed a motion at the meeting to change Roc's constitution, in a bid to prevent the merger. The motion failed, having gained 53.24 per cent of the votes – short of the 75 per cent needed to pass.

Roc has about 180 employees in Australia, **China** and Malaysia. The **firm**'s net profit fell to US\$45.2 **million** last year from US\$61 **million** in 2012.

Fosun said the reason for the **company** going into the proposed transaction was to allow "the group to enter the upstream **oil** and gas industry and acquire **oil** and gas assets".

The **acquisition** would be Fosun's first direct investment in the **oil** and gas industry and sixth overseas deal since May.

Its recent investments were in Portuguese insurance firms and German fashion retailer Tom Tailor.

CO	fosuni : Fosun International Limited rocoil : Roc Oil Company Ltd
IN	i1 : Energy i13 : Crude Oil/Natural Gas i8396 : Diversified Holding Companies ibcs : Business/Consumer Services
NS	c181 : Acquisitions/Mergers/Takeovers ncolu : Columns c18 : Ownership Changes cactio : Corporate Actions ccat : Corporate/Industrial News ncat : Content Types nfact : Factiva Filters nfcpin : FC&E Industry News Filter
RE	austr : Australia apacz : Asia Pacific ausnz : Australia/Oceania
PUB	South China Morning Post Publishers Limited
AN	Document SCMP000020140804ea850004f