

1 July 2014

## Envestra Announces Takeovers Panel Application Regarding Cheung Kong Consortium Takeover Offer



Envestra Limited announces that it has today applied to the Takeovers Panel for a declaration of unacceptable circumstances regarding the Cheung Kong Consortium (the Consortium) proposed takeover of the Company. The issue relates to the entitlement of those Envestra shareholders who accept the Consortium's takeover offer to receive Envestra's final dividend.

On 30 May 2014, Envestra announced that it had entered into a Bid Implementation Agreement with the Cheung Kong Consortium in relation to an off-market takeover offer of \$1.32 cash per Envestra share. The offer was recommended by Envestra's Non-Affiliated Directors on the basis that accepting shareholders would be entitled to receive a final dividend of up to 3.5 cents per share in addition to the \$1.32 offer consideration.

Envestra further notified the ASX on 20 June, 2014 that a dispute had arisen between Envestra and the Consortium regarding shareholders' entitlement to a final dividend, the declaration of which was intended to be brought forward from the previously foreshadowed date of 21 August, to 11 July 2014. The Consortium had indicated to Envestra that it objects to the declaration of a dividend in these circumstances.

On 27 June, 2014 the Consortium further advised Envestra "that whilst it did not object to Envestra's Directors declaring a Final Dividend, they did object to the declaration and payment of a dividend on an accelerated timetable from that foreshadowed in Envestra's financial calendar and the timetable consistent with Envestra's practice for previous reporting periods".

Envestra notes that if it were to declare and have a record date for the final dividend consistent with "Envestra's practice for previous reporting periods", there is a risk that Envestra shareholders accepting the Consortium offer will not receive the final dividend; that is, the Consortium's offer will close before the final dividend record date.

Envestra has decided to make application to the Takeovers Panel to seek orders designed to ensure that Envestra shareholders accepting the Consortium's offer can be assured of receiving Envestra's final dividend, in addition to the Consortium's offer.

### For further information contact:

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