


[What we do](#)
[Company monitoring](#)
[Education & online forum](#)
[Events & workshops](#)
[ASA membership](#)

Bega Cheese (BGA) 2018 EGM Voting Intentions

Bega Cheese (BGA) 2018 EGM Voting Intentions

Member

[View](#)
[Edit](#)
[Clone](#)

node/1203863

Company/ASX Code :	Bega Cheese Limited (BGA)
Registry :	Link Market Services
Poll/Show of Hands :	Show of hands
Webcast :	No
Venue :	10am, Bega Valley Commemorative Civic Centre Zingel Place, Bega, New South Wales
Monitor :	Mr Elton Ivers
AGM Details / NoM :	Friday 5th January, 2018

Seeking further capital for potential opportunities in dairy and food

Item 1 Approval of the issue of shares under the June 2017 institutional placement

ASA Position

With the de-regulation of the Australian dairy industry in early 2000s, BegaCheese believed it needed to expand its operations and diversify to survive. The company has progressively followed this strategy and restructured, including its listing on the ASX in 2011 and acquisition/merger with Tatura Milk through to the acquisition of Mondelez Australia's grocery and cheese business in 2017 (for \$460 million).

Undecided

In June 2017, BegaCheese announced a capital raising through an Institutional Placement and a Share Purchase Plan to raise approximately \$122.5 million and \$37.5 million respectively. There was very strong support from institutional investors and the offer was closed early. ASA asked the Board not to scale back SPP applications as we believe it has greater benefit to all shareholders, and BegaCheese accepted all valid applications which totalled \$50 million. The proceeds from the capital raising would be used to improve BegaCheese's financial flexibility to take advantage of future growth opportunities in dairy and food.

At the end of October 2017, the Murray Goulburn Cooperative announced that it had accepted the offer by (Canadian) Saputo Dairy for the sale of all of MG's operating assets and operating liabilities for \$1.3 billion. The ACCC and FIRB may require the disposal of some assets as part of the sale. This sale will result in BegaCheese being the largest Australian owned dairy processor.

In November 2017, BegaCheese announced its unconditional takeover offer for the Peanut Company of Australia for a cash consideration of \$10 million. The PCA Board recommended PCA shareholders accept the offer. By 20-December, BegaCheese had received acceptance of the offer from over 90% of PCA shares and would proceed to full ownership through compulsory acquisition. The acquisition will ensure the supply of peanuts for the manufacture of the BegaFoods peanut butter, and plans to increase the Australian production of peanuts.

ASA will generally vote against resolutions put up by companies which seek to refresh the 15% placement capacity in any 12 month period, except where the resolution relates to securities issued as part of a capital raising conducted in conjunction with a renounceable rights issue or a Share Purchase Plan (SPP) on the same or better terms than the institutional offer. ASA is seeking clarification from BegaCheese on this detail of the resolution.

ASA encourages members to read the Explanatory Notes to the Notice of EGM.

The individual involved in the preparation of this voting intention has a shareholding in this company.

This document has been prepared by the Australian Shareholders Association Limited ABN 40 000 625 669 ("ASA"). It is not a disclosure document, it does not constitute investment or legal advice and it does not take into account any person's particular investment objectives. The statements and information contained in this document are not intended to represent recommendations of a particular course of action to any particular person. Readers should obtain their own independent investment and legal advice in relation to the matters contemplated by this document. To the fullest extent permitted by law, neither ASA nor any of its officers, directors, employees, contractors, agents or related bodies corporate:

- makes any representations, warranties or guarantees (express or implied) as to the accuracy, reliability, completeness or fitness for purpose of any statements or information contained in this document; or
- shall have any liability (whether in contract, by reason of negligence or negligent misstatement or otherwise) for any statements or information contained in, or omissions from this document; nor for any person's acts or omissions undertaken or made in reliance of any such statements, information or omissions.

This document may contain forward looking statements. Such statements are predictions only and are subject to uncertainties. Given these uncertainties, readers are cautioned not to place reliance on any such statements. Any such statements speak only to the date of issue of this document and ASA disclaims any obligation to disseminate any updates or revisions to any such statements to reflect changed expectations or circumstances.

Manage Sponsors



View all Sponsors

Company monitoring

- Monitoring list
- Upcoming AGMs
- Our monitors

Information

- Events & workshops
- Interest groups
- News
- Resources

Membership

- Member benefits
- Member plans
- Corporate plans
- FAQs

About us

- Contact us
- Our people
- What we do

Standing up for shareholders

[edit site info](#)

Accepted Credit Cards



All prices in Australian Dollars and include GST.

