

Petrol PLAZA

Couche-Tard raises bid for Caltex to \$5.8 billion

After having an offer refused in October, the global retailer has come back with an increased offer for Australia-based Caltex.



Caltex station in Kedah, Malaysia | © iStock

Australian company Caltex has reportedly received an unsolicited purchase offer from Alimentation Couche-Tard valued at \$5.8 billion.

Caltex said on Tuesday that its board of directors is considering the unsolicited offer, which would enable the company to pay a special dividend to shareholders.

On 18 November 2019, Couche-Tard made a revised confidential non-binding indicative proposal increasing the cash price to A\$34.50 per share (US\$23.40). This follows a previous bid made at an indicative price of A\$32 per share.

"We believe this is a very compelling offer for Caltex shareholders, representing an excellent premium and certainty of value today. ACT's management team has been looking into the Asia-Pacific region

for several years as a potential market for our continued growth and we see many opportunities,” said Brian Hannasch, President and CEO of Couche-Tard.

The Canadian convenience and fuel retailer, with over 16,000 sites in 26 countries, sees in Caltex a potential opportunity to leverage their leading position in the market.

Caltex operates approximately 2,000 service stations in Australia and Southeast Asia.

Just days ago, Caltex announced plans for an IPO of 49% of 250 Australian sites to raise funds.