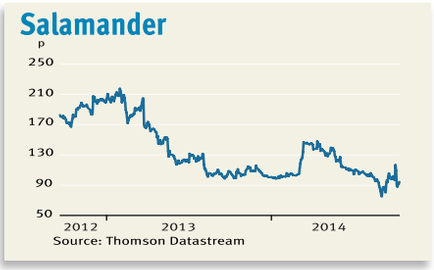
OIL & GAS PRODUCERS

Salamander board backs Ophir approach

The board of Salamander Energy has accepted the strategic benefits of an all-share bid from Ophir Energy

MARK ROBINSON

The board of **Salamander Energy (SMDR)** has backed a takeover offer from Africa-focused oil and gas explorer Ophir Energy (OPHR). In an all-share deal, Salamander's shareholders are to receive 0.5719 Ophir shares for each share held. The deal effectively values Salamander at 115.9p a share, which represents a reasonable 45 per cent premium to the closing price on the day before news of bid talks first emerged in late October.



Salamander's share price pulled back last week when it was revealed that a consortium led by Spain's CEPSA would not proceed with a rival bid. The consortium had planned to offer 121p a share as well as a contingent value right of up to 24p per share depending on the success of Salamander's forthcoming exploration drilling in the Gulf of Thailand. Ophir's offer has been made on the condition that Salamander cancelled a deal previously struck with Malaysia's SONA Petroleum Berhard for the sale of a 40 per cent interest in two Thai oil fields.

The bid is unlikely to be the last among London's small cap and Aim constituents if – as some industry analysts expect – crude oil prices remain south of $90 (£57) a barrel for much of next year. The agreed deal represents a sound strategic move as the resultant entity would enjoy a strengthened balance sheet, in addition to improved operating capabilities across Africa and South East Asia. For now, however, await documents.

TAKEOVERS

Target	Bidder	Terms	Value	Closing date
Avanta Serviced Office Serviced offices	Tosca Vehicle Bid vehicle	110p cash per share	£36m	na
This offer from asset manager and private equity specialist Toscafund represents a slender 5.8 premium to Avanta's share price just prior to news of the bid. Avanta's management will express its views on the offer "as soon as practicable". **Await documents.**				
Salamander Energy Oil & gas	Ophir Energy Oil & gas	0.5719 Ophir: 1 Salamander	£314m	na
Recommended offer via a scheme of arrangement. The bid values each share at 115.9p, which represents a 44.5 per cent premium to Salamander's share price just prior to news of bid talks. Earlier this month, a consortium comprising Compañía Española de Petróleos and Jynwel Capital withdrew from the bidding – leaving Ophir as the only remaining suitor, see left. **Await documents.**				
Allocate Software Software	Acorn Bidco Private equity	154p cash per share	£110m	na
Recommended with 57.08 per cent acceptances. Private equity company HGCapital is behind the Acorn Bidco vehicle. Coming at a 35 per cent premium to Allocate's share price prior to the bid, the offer has the support of Allocate's directors. In addition to 154p in cash, shareholders will receive a 1.45p final dividend. Allocate confirmed that two other parties had been eyeing the company, but these approaches eventually came to noting. **Accept**.				
CSR Semiconductors	Qualcomm Global Trading PTE Wireless technology	900p cash per share	£1.56bn	na
Recommended offer via a scheme of arrangement. This offer from US company Qualcomm – the world's largest maker of mobile-related microchips – represents a chunky 56.5 per cent premium to CSR's share price just prior to news of the approach. Moreover, rival suitor Microchip Technology has confirmed it no longer intends to bid, leaving Qualcomm's offer as the only one left. **Await documents**.				
Daisy Communications services	Chain Bidco Bid vehicle	185p cash per share	£494m	8/12
Recommended. The offer – from a consortium comprising chief executive Matthew Riley, Toscafund Asset Management and Penta Capital – represents a 16.4 per cent premium to Daisy's share price just prior to news of the approach. With 93.79 per cent acceptances so far, however, it looks like a done deal. **Sit tight**.				
New Britain Palm Oil Palm oil production	Sime Darby Plantation Plantations	715p cash per share	£1.07bn	18/12
The offer represents a huge 85 per cent premium to New Britain's share price prior to the announcement. Subject to a board review, the directors are supportive. **Sit tight**.				
Perform Media	Access Industries Industrial group	260p cash per share	£685m	2/12
Access Industries – the conglomerate controlled by billionaire Len Blavatnik – already owns 42.5 per cent of Perform and its final cash offer for the remaining shares represents a 27.6 per cent premium to Perform's share price just prior to news of the approach. Perform's board rejected the bid on the grounds that it undervalues the company. But Mr Blavatnik agreed to buy a further 7.57 per cent stake, raising his total shareholding above 50 per cent. The offer has been declared unconditional and delisting is expected on 8 December. **Accept**.				
Prezzo Restaurants	Papa Bidco Bid vehicle	126.5p cash per share	£303.7m	na
Recommended offer via a scheme of arrangement. Papa is the bid vehicle of private equity firm TPG and the offer has already received 62.33 per cent acceptances. Still, the bid stands below the 134.5p price at which the shares were trading on the day that news of talks emerged. Moreover, rival suitor Advent International has now confirmed that it has no intention of bidding. **Await documents**.				
Spirit Pub Company Pubs	Greene King Pubs	1 Spirit: 0.1322 Greene King+8p cash	£773.6m	na
Recommended offer via a scheme of arrangement. The offer, worth 115p a share, represents a 52.2 per cent premium to Spirit's share price prior to news of talks and a combination of the pair could deliver cost synergies of £30m a year. Cider maker C&C, however, has also made an indicative approach – that was rejected by Spirit's management. **Await documents**.				
Synergy Health Sterilisation services	Steris Corporation Hygiene	439p + 0.4308 Steris	£1.2bn	na
Recommended. Based on STERIS's New York closing price prior to the announcement, the terms value Synergy at 1,950p per share – a 39 per cent premium to the previous share price. The deal will involve redomiciling STERIS in the UK for tax purposes. **Await documents**.				
Waterlogic Drinking water systems	Poseidon Bidco Bid vehicle	151p cash per share	£122.6m	na
Recommended offer via a scheme of arrangement. Poseidon is the bid vehicle of Luxembourg-based private equity group EPIC and the offer represents a healthy 42.5 per cent premium to Waterlogic's share price just prior to news in June that the group was looking for a buyer. The bid has received 83.56 per cent acceptances so far, too, leaving this looking like a done deal. **Await documents**.				