



Company	Amcor
Code	AMC
Meeting	Amcor / Bemis merger scheme meeting
Date	2 May 2019
Venue	Exhibition Centre Melbourne
Monitor	Gavin Morton

Number attendees at meeting	About 60 shareholders.
Number of holdings represented by ASA	237
Value of proxies	\$1.8 million
Number of shares represented by ASA	1,196,669
Market capitalisation	\$17.8 billion
Were proxies voted?	Yes, on a poll.
Pre AGM Meeting?	No

Amcor sets sail for America.

The Chair and one director addressed the meeting. CEO Ron Delia joined the meeting via a link from Zurich. The Chair said that the merger with Bemis would deliver cost savings of US\$180 million in year three. The combined profit before interest, tax, depreciation and amortisation of both companies was \$1.960 billion in 2018. He said that the combined companies would have a stronger financial profile and greater liquidity through listing on the New York Stock exchange and the ASX in the form of CDI's. Amcor shareholders will own about 71% of the New Amcor, with Bemis shareholders owning the remaining 29%. The New Amcor Board will have three Bemis Directors.

Ron Delia said that New Amcor would have an enhanced global footprint and as a result would be able to provide more value to global, regional and local customers. He said that there was a move by customers away from rigid containers to flexible packaging. New Amcor would have annual sales of \$9 billion of flexible packaging and would have about 160 plants in across the World. He said that New Amcor

would develop all recyclable or reusable packaging by 2025, and that there would be a greater depth of management talent in the new company.

The Chair said that KPMG Financial Services had concluded the merger was in the best interests of Amcor shareholders. KPMG assessed the share price of New Amcor to be in the range \$15.61 to \$17.41, and Amcor share price of \$15.18 to \$16.73 on a stand-alone basis.

The Chair asked for questions or comments. The Monitor was the only speaker. He said that the ASA had reviewed the scheme booklet and had looked for red flags. The lack of due diligence increased transaction risk. Both companies had significant write-offs in the years 2013 to 2017. There were no significant write offs in 2018. The Monitor said that write-offs were likely in the 2019 year. He thought that the KPMG share price forecasts were a construct, and that the forecast share prices may or may not happen. He said that Amcor and Bemis companies were mirror images in that their sales and profits had flatlined over the last five year period. It was difficult to believe that their merger would be different from their past performance. The ASA were reluctant to recommend a no vote for the merger on the grounds that there was insufficient facts to support such action. The Monitor said that he would vote open proxies in favour of the merger.

A poll was taken. Final result was a 97% vote in favour, and 3% against. Bemis shareholders approved the merger with a 96% vote, proportionally by number of voted shares, in favour. Nearly 76% of the outstanding shares were voted in favour.

At the close of the meeting, the Chair said that whilst the Board of Directors strongly supported the merger, shareholders should read the scheme booklet and make their own voting decisions. The results of the merger will be known at some time in the next 3 years.