

# Royal Dutch Shell Plc

10:49 22 Aug 2019

## Shell agrees takeover of Australia's second largest energy supplier ERM

Royal Dutch Shell PLC (LON:RDSB) is to enter the Australian power market after striking a deal to acquire ERM Power Limited (ASX:EPW), the country's second-largest energy supplier.

In a statement to the Australian Securities Exchange on Thursday, ERM said it had agreed to a takeover deal of A\$2.465 per share, a 38% premium on its 1-month weighted volume average price, valuing the entire company at around A\$617mIn (£344mIn).

**READ: Shell lifts capex and cash flow forecasts**

ERM's board unanimously recommended the offer to shareholders, with chief executive Jon Stretch saying the company's strategy across electricity supply and demand "aligns well with Shell's global electrification and energy solutions ambitions".

He added that the takeover would allow ERM to use Shell's "considerable resources" to accelerate the potential of its operations.

ERM provides electricity to both commercial and industrial entities while also operating two gas-fired power plants in Queensland and Western Australia.

The move into Australia follows a similar move by Shell in the UK earlier this year when it rebranded supplier First Utility to Shell Energy and switched its customers to renewables as part of an initial shift into the power market.

In mid-morning trading, Shell's shares were down 0.9% at 2,303.5p.

**Price:** 1406.2

**Market Cap:** £110.09 billion

### 1 Year Share Price Graph



### Share Information

**Code:** RDSB

**Listing:** LSE

<b>52 week</b>	<b>High</b>	<b>Low</b>
	<b>2647</b>	<b>8.8907</b>

**Sector:** Energy

**Website:** [www.shell.com](http://www.shell.com)

### Company Synopsis:

Royal Dutch Shell consists of the upstream businesses of Exploration & Production and Gas & Power and the downstream businesses of Oil Products, Chemicals and Oil Sands with 104,000 employees in more than 110 countries.

action@proactiveinvestors.com

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 [action@proactiveinvestors.com](mailto:action@proactiveinvestors.com)

### No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related

products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.