



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP20/55

Monday, 14 September 2020

Keybridge Capital Limited 14 - Panel Receives Application

The Panel has received an application dated 11 September 2020 from WAM Active Limited (ASX: WAA) in relation to the affairs of Keybridge Capital Limited (ASX: KBC).

Details of the application, as submitted by the applicant, are below.

A sitting Panel has not been appointed at this stage and no decision has been made whether to conduct proceedings. The Panel makes no comment on the merits of the application.

Details

On 28 April 2020, WAM Active announced an unconditional takeover bid for Keybridge.

On 29 June 2020, Keybridge announced an intention to undertake a scrip takeover bid for RNY Property Trust (ASX: RNY), conditional on Keybridge obtaining all necessary approvals.

On 31 July 2020, Keybridge redeemed and converted a number of convertible redeemable promissory notes (**CRPNs**) into ordinary Keybridge shares.

On 12 August 2020, Keybridge announced a response to various queries from ASX in relation to its bid for RNY, including regarding ASX Listing Rule approvals. Attached to that response was a letter from Aurora Funds Management Limited (which is the responsible entity for a variety of substantial unitholders in RNY), stating that:

"Aurora advises that it has not yet made a decision whether to accept the Keybridge offer. In the event it does, Aurora reaffirms its earlier comment that it will not do anything that causes third parties, including Keybridge, to be in contravention of applicable laws or regulations. In the event Listing Rule 10.1 is an issue, Aurora confirms that it will abide by the limitations that flow from that, namely it would not accept into the offer more than 41,450,000 RNY units. Accordingly, Listing Rule 10.1 would not be triggered by Aurora's acceptance into the Keybridge offer."

On 13 August 2020, Aurora filed a substantial shareholder notice advising that Aurora (as the responsible entity of two trusts) and Aurora Corporate Pty Limited had a relevant interest in 13,541,437 Keybridge shares, of which 5,355,268 were issued on conversion of 368,978 CRPNs.

On 14 August, Keybridge issued a bidder's statement for its bid for RNY on an unconditional basis.

WAM Active submits (among other things) that Keybridge and Aurora have an understanding or are acting in concert in relation to Keybridge to concentrate ownership of ordinary shares in Keybridge in entities associated with Keybridge board members. This is to *"stymie WAM Active's bid by (among other things) diluting WAM Active's shareholding through the issue of new shares to Aurora (via KBC's convertible redeemable promissory notes (CRPNs) ... and [the] unconditional scrip bid for RNY)"*.

On 31 August 2020, WAM Active sought interim orders on an urgent basis prohibiting Keybridge from processing any acceptances into its bid for RNY and gave an undertaking that it would make this application. The substantive President of the Panel declined to make those orders. WAM Active is not seeking interim orders in its application.

WAM Active seeks final orders including supplementary disclosure and a divestment order in respect of all Keybridge shares acquired by Aurora since 31 July 2020.

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