



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP17/25

Tuesday, 23 May 2017

Spotless Group Holdings Limited 02 – Panel Accepts Undertakings

The Panel has declined to make a declaration of unacceptable circumstances in response to an application dated 3 May 2017 from Downer EDI Services Pty Ltd (**Downer Services**) in relation to the affairs of Spotless Group Holdings Limited (**Spotless**) (see [TP17/22](#)). The Panel did so following the acceptance of undertakings from Spotless (see annexure) in which Spotless undertook to provide corrective disclosure in the form of a supplementary target's statement to be lodged with ASIC and sent to ASX, Downer Services and each holder of ordinary shares of Spotless.

The supplementary target's statement addresses the Panel's concerns in relation to certain matters arising out of Downer Services' application by:

- removing any implication that if Spotless's FY18 guidance included in the Target's Statement was reflected in broker forecasts any valuation by those brokers would be equal to or above the offer price of Downer Services' bid
- correcting the heading of section 1.9 of the Target's Statement – which referred to the present intention of Coltrane Asset Management (**Coltrane**) to reject the offer at the current offer price – noting that Coltrane would need to request and be delivered the shares the subject of the swaps and the qualification that Coltrane has not made any final decision and reserves the right to take any action it considers appropriate in response to the offer and
- reflecting accurately the current relevant interest of Coltrane and the assumptions on which that relevant interest is based following the updated substantial holder notices lodged by Morgan Stanley and Coltrane on 10 May and 11 May 2017 respectively, and making clear that, in order to reject the offer, Coltrane would need to request and be delivered the shares the subject of the swaps.

The Panel considers that the undertakings sufficiently address its concerns and that it is not against the public interest to accept the undertakings and decline to make a declaration of unacceptable circumstances.

On the basis of the above, the Panel decided not to make a declaration of unacceptable circumstances.

The sitting Panel was Byron Koster (sitting President), Sophie Mitchell and Robin Bishop. The Panel will publish its reasons for the decision in due course on its website www.takeovers.gov.au.

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Annexure

AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION ACT 2001 (CTH) SECTION 201A UNDERTAKING

SPOTLESS GROUP HOLDINGS LIMITED 02

Spotless undertakes to the Panel that it will lodge with ASIC and send to ASX, Downer and each holder of Spotless Ordinary Shares a supplementary target's statement under s644(1) of the *Corporations Act* 2001 in a form approved by the Panel:

- (a) as soon as practicable; and
- (b) by no later than 4 business days after the Panel approves the supplementary target's statement.

Spotless agrees to confirm in writing to the Panel when it has satisfied its obligations under this undertaking.

In these undertakings the following terms have the corresponding meaning:

Spotless	Spotless Group Holdings Limited
Downer	Downer EDI Services Pty Ltd

**Signed by Paul Morris of Spotless Group Holdings Limited
with the authority, and on behalf, of
Spotless Group Holdings Limited
Dated 23 May 2017**