



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP21/07

Friday, 5 February 2021

Webcentral Group Limited 03 – Panel Declines to Extend Time to Make Declaration

The Panel has declined to make a declaration of unacceptable circumstances in response to an application dated 10 January 2021 from Keybridge Capital Limited in relation to the affairs of Webcentral Group Limited (see [TP21/02](#)).

Webcentral was the subject of a takeover bid from 5G Networks Limited. The application raised concerns that Webcentral's target's statement(s) and 5GN's bidder's statement(s) had failed to disclose the existence of a success fee payable to Webcentral's financial adviser in respect of the 5GN bid and Webcentral's intention to undertake a capital raising immediately following the close of the 5GN bid.

The Panel considered (among other things) that:

- Taking into account previous disclosure, and timing, on balance, disclosure of the capital raising was not required during the 5GN bid period.
- While the failure by Webcentral and 5GN to disclose the success fee in its target's statement(s) and bidder's statement(s) respectively was of sufficient seriousness that the Panel was minded to conclude that there were unacceptable circumstances, the Panel decided not to extend time under section 657C¹ for the making of the application, including on the bases that:
 - the applicant had delayed in making its application and
 - there were no satisfactory remedies now available in the Panel's view.

The Panel considered that it is not against the public interest to decline to make a declaration of unacceptable circumstances.

¹ Unless otherwise indicated, all statutory references are to the *Corporations Act 2001* (Cth), and all terms used in Chapter 6 or 6C have the meaning given in the relevant chapter (as modified by ASIC)

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

The sitting Panel was Amy Alston, Stephanie Charles (sitting President) and Bruce Cowley. The Panel will publish its reasons for the decision in due course on its website www.takeovers.gov.au.

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