



Tuesday 2 July 2019

19-166MR ASIC appoints Morgan Stanley to sell shares in Yowie Group Ltd

ASIC has appointed Morgan Stanley Wealth Management Australia Pty Ltd (**Morgan Stanley**) to sell 28,127,957 ordinary shares (**Total Sale Shares**) in Yowie Group Ltd (**Yowie**).

The sale follows a decision by the Takeovers Panel (**the Panel**) to vest shares in the Commonwealth for sale by ASIC. As of 2 July 2019, the Total Sale Shares represent approximately 12.92% of Yowie's issued capital.

The sale process will follow the requirements specified in the Panel's orders. These are included in [ASIC's notice of initial substantial holder](#) lodged with the ASX on 30 April 2019. Under the orders:

- Morgan Stanley will use the most appropriate sale method to secure the best available sale price for the Total Sale Shares that is reasonably available at that time and will dispose of the Total Sale Shares within three months from Morgan Stanley's appointment;
- Wilson Asset Management (International) Pty Limited (**WAMI**) or its associates may not, directly or indirectly, acquire any of the 27,073,809 Total Sale Shares previously held by WAMI (**WAMI Sale Shares**);
- Keybridge Capital Limited (**Keybridge**) or its associates may not, directly or indirectly, acquire any of the 1,054,148 Total Sale Shares previously held by Keybridge (**Keybridge Sale Shares**); and
- Unless the Sale Shares are sold on market, prospective purchasers of:
 - WAMI Sale Shares must provide a statutory declaration that they are not associated with WAMI or its associates; and
 - Keybridge Sale Shares must provide a statutory declaration that they are not associated with Keybridge or its associates.

Background

On 26 April 2019, the Takeovers Panel made a declaration of unacceptable circumstances in relation to the affairs of Yowie on the basis that both WAMI's acquisition of Yowie shares between 13 and 27 March 2019 and Keybridge's acquisition of Yowie shares between 2 and 10 April 2019 resulted in a contravention of section 606 of the *Corporations Act 2001* (the Act) and that WAMI contravened section 671B of the Act by failing to give details of its deemed relevant interest in Yowie shares.

The Panel's orders required that the 27,073,809 Yowie shares held by WAMI, comprising of the Yowie shares acquired by WAMI between 13 and 27 March 2019, and the 1,054,148 Yowie shares held by Keybridge, comprising of the Yowie shares acquired by Keybridge between 2 and 10 April 2019, be vested in ASIC for sale. Under the orders, the Total Sale Shares are to be sold by an investment bank or broker and the proceeds to be accounted to WAMI and Keybridge, respectively (on a pro rata basis), net of the costs, fees and expenses incurred by ASIC and the Commonwealth.

On 31 March 2015, following a public tender process, ASIC entered in to a deed of standing offer with Morgan Stanley for the provision of stockbroking services. As Morgan Stanley was able to provide ASIC with a statutory declaration that it was not aware of any conflicts of interest, it has been appointed to sell the Sale Shares under the standing arrangement.

Inquiries about the sale process should be directed to:

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