



Monday, 6 July 2015

15-174MR

ASIC appoints Morgan Stanley to sell shares in Richfield International Limited

ASIC has appointed Morgan Stanley Wealth Management Australia Pty Ltd (Morgan Stanley) to sell 9,920,638 ordinary shares in Richfield International Limited (RIS).

The sale follows a decision by the Takeovers Panel (the Panel) to vest the shares in the Commonwealth for sale by ASIC. The shares represent approximately 15.77% of RIS' issued capital.

The sale process will follow the requirements specified in the Panel's orders which are included in [ASIC's substantial holding notice \(PDF 317 KB\)](#) provided to the Australian Securities Exchange on 4 May 2015.

Under the orders:

- Morgan Stanley will determine the most appropriate sale method to secure the best available sale price for the Sale Shares that is reasonably available and will dispose of the shares no later than four months from today's appointment;
- each of Poh Choo Lim, Siew Tze Lim, Sinotrans Investment Co Ltd (Sinotrans), Grand Orient Capital Ltd (Grand Orient) and their respective associates are not permitted to directly or indirectly purchase any of the shares; and
- prospective purchasers must provide a statutory declaration that they are not associated with Poh Choo Lim, Siew Tze Lim, Sinotrans, or Grand Orient – unless the shares are sold on market.

Inquiries about the sale process should be directed to Mr Brian Mallon of Morgan Stanley Wealth Management on telephone 03 9188 2247.

Background

On 22 April 2015, the Panel made a declaration of unacceptable circumstances in relation to the transfer of 15.77% of RIS' ordinary shares by Poh Choo Lim to Sinotrans and Grand Orient.

The declaration was made on the basis that Sinotrans and Grand Orient were associates in relation to the affairs of RIS. The association was undisclosed and the acquisition has taken place other than in accordance with the exceptions to the takeovers prohibition in section 611 of the Corporations Act.

The Panel ordered that the shares in excess of 20% be vested in the Commonwealth on trust for Sinotrans and Grand Orient, for ASIC to sell. Under the orders, the shares are to be sold by a broker and the proceeds to be accounted to Sinotrans and Grand Orient net of costs, fees and expenses incurred by ASIC and the Commonwealth.

On 31 March 2015, following a public tender process, ASIC entered into 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 conflict of interests, it has been appointed to sell the RIS shares under the standing arrangement.