



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP19/40

Monday, 8 July 2019

GBST Holdings Limited – Panel Receives Application

The Panel has received an application from Kiwi Holdco CayCo, Ltd, as the group holding company of the FNZ Group (FNZ), in relation to the affairs of GBST Holdings Limited (ASX: GBT) (GBST). GBST is, and has been, subject to competing non-binding indicative change of control proposals from FNZ, SS&C Technologies, Inc. (NASDAQ: SSNC) (SS&C) and Bravura Solutions Limited (ASX: BVS).

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 1 July 2019, GBST announced that it had received a non-binding indicative proposal from SS&C to acquire GBST at \$3.25 per share via a scheme of arrangement and had entered into a process and exclusivity deed with SS&C containing a four week exclusivity period (**SS&C Process Deed**). The announcement stated that the SS&C Process Deed included customary exclusivity provisions *“including no-shop, no-talk and no-due diligence restrictions (the no-talk and no-due diligence restrictions being subject to a customary fiduciary carve-out)”* and an obligation to *“notify SS&C if it receives any superior proposal during the exclusivity period in which case SS&C has the right to match...within 5 business days after it receives notice...”*

Later on the same day, FNZ submitted a revised non-binding indicative proposal at \$3.50 per share and a draft of a process and exclusivity deed with a three week exclusivity period (reduced from a previous proposal of four weeks).

On 3 July 2019, GBST announced that SS&C had increased its non-binding indicative proposal to \$3.60 and the SS&C Process Deed had been amended by reducing the exclusivity period to three weeks.

On 5 July 2019, FNZ submitted a further revised non-binding indicative proposal at \$3.65 per share subject, among other things, to receiving the full terms of the SS&C

Process Deed (that it submits should be released on ASX). GBST has refused this request.

FNZ submits that unacceptable circumstances arise from the SS&C Process Deed because (among other things):

- the SS&C Process Deed was entered into prematurely, contrary to the best interests of GBST shareholders, without facilitating a proper auction process designed to achieve the best price, and where providing due diligence access to SS&C will materially reduce the value of GBST to all other bidders and
- the inclusion of the matching right, where the proposal from SS&C is only non-binding and indicative in circumstances where the market for control of GBST has not been adequately tested, and where GBST is required to continue to provide due diligence access to SS&C during the matching right period despite being on notice that FNZ was willing to negotiate on price and that giving due diligence access to another bidder would materially reduce the value of GBST to FNZ.

FNZ seeks interim orders including that the Panel suspend the operation of the SS&C Process Deed to in effect restrain any further due diligence by SS&C while the Panel application is being considered. FNZ seeks final orders including that the SS&C Process Deed be cancelled.

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